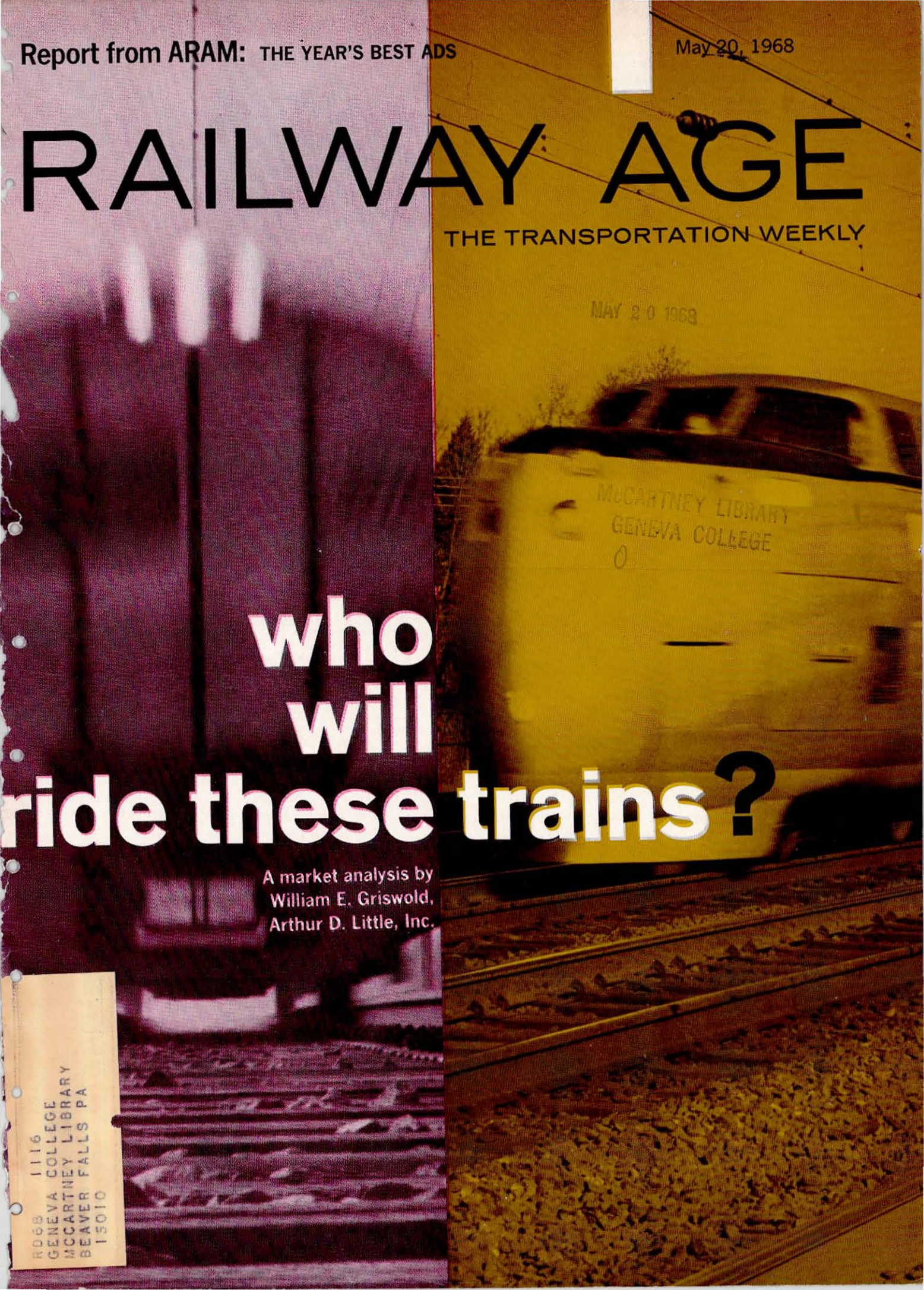
Report from ARAM: THE YEAR'S BEST ADS

May 20, 1968

RAILWAY AGE

THE TRANSPORTATION WEEKLY

MAY 20 1968



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who will ride these trains?

A market analysis by
William E. Griswold,
Arthur D. Little, Inc.

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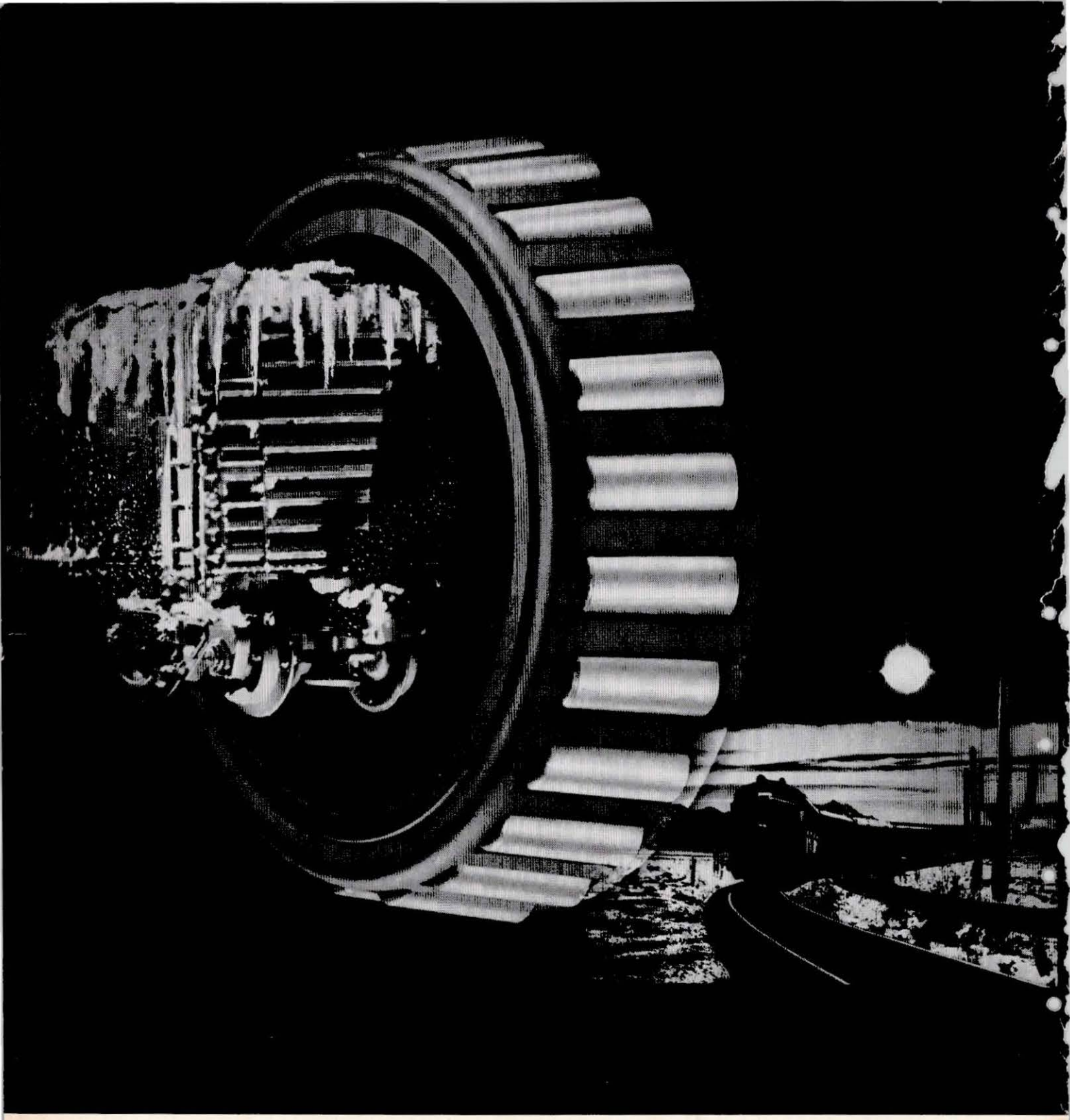


Reliability in every climate, under every condition...

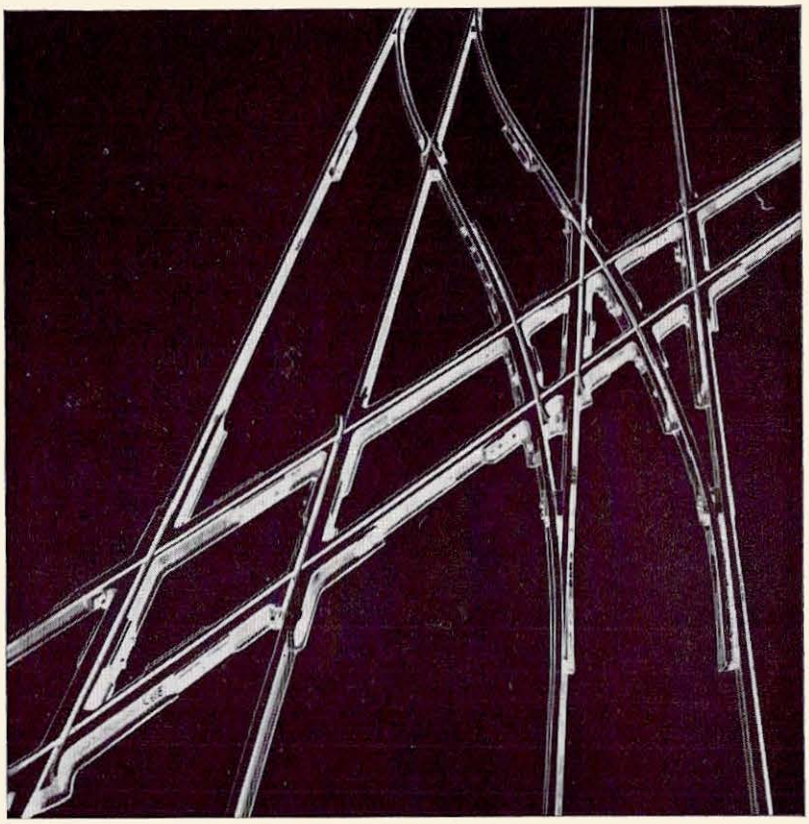
Brenco *crown-taper* roller bearings are the most modern of all.

BRENCO, INCORPORATED
PETERSBURG, VIRGINIA

Circle 1 on coupon page 32

Every kind of special trackwork... from

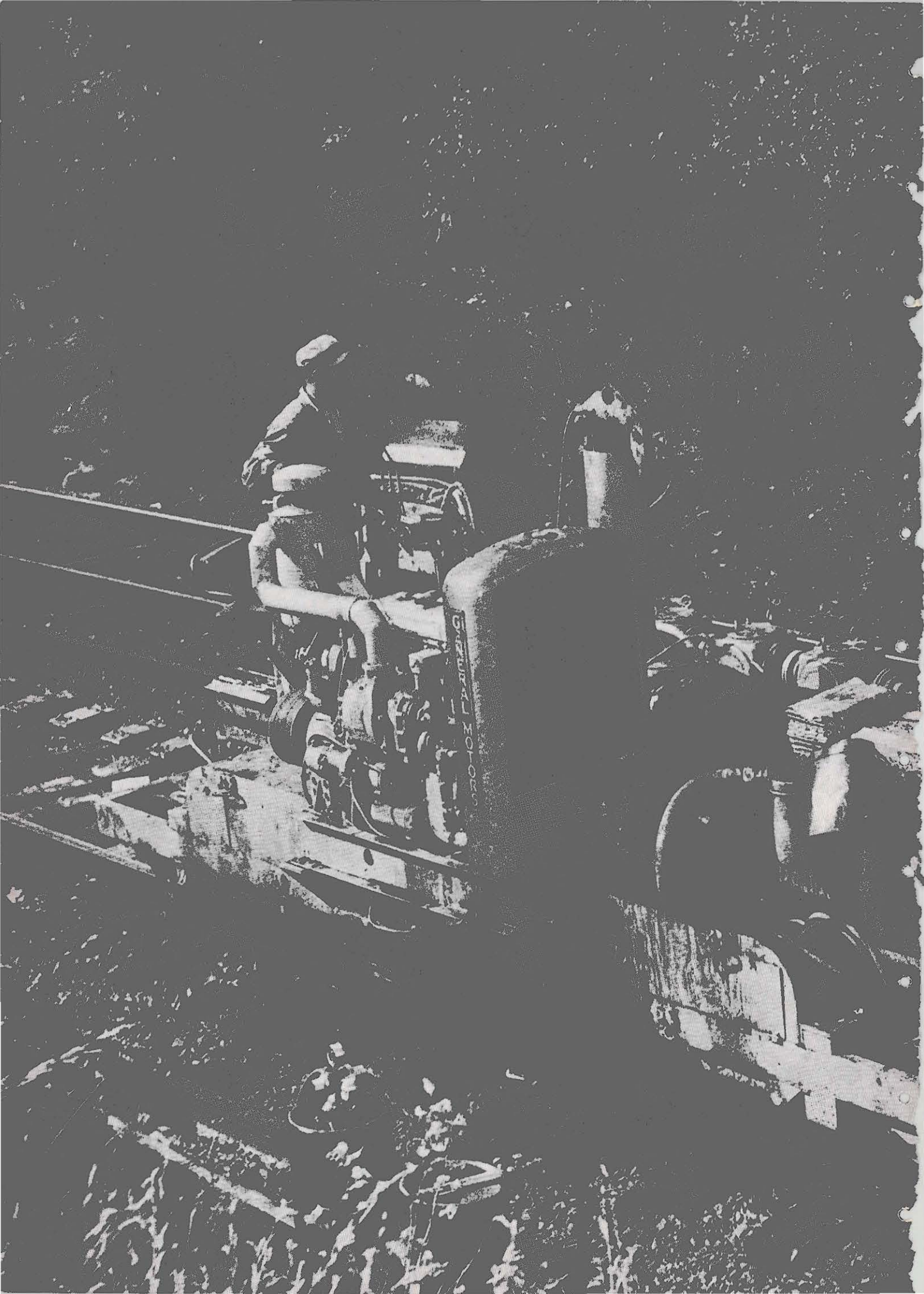
heat-treated stock rails to high-speed crossovers to double-slip switches

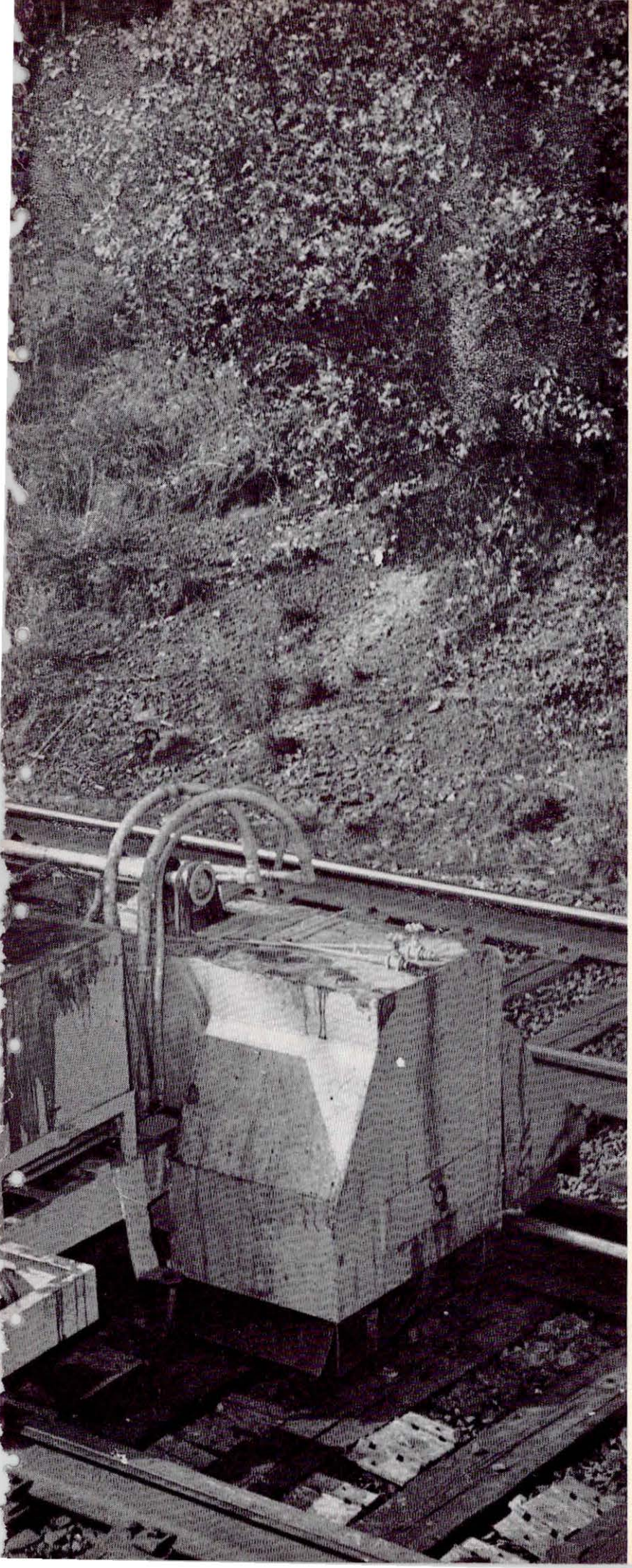


Every railroad has a special trackwork problem once in awhile. But it needn't be a problem at all. Bethlehem is set up to relieve you of this sort of headache, and we have the layout room at our Steelton, Pa., plant to handle several jobs at a time.

We'll fabricate your job, then preassemble it carefully to assure accurate fitting. We'll save you money, too, through elimination of field-cutting, curving and drilling of rails. So put your special trackwork problems in Bethlehem's hands—with utmost confidence in the results. Bethlehem Steel Corporation, Bethlehem, Pa.

BETHLEHEM STEEL


GENERAL MOTORS



A man counts for more in the new railway age

THE MISSING PEOPLE HERE are the men who mined the ore, refined the copper, made the steel, manned the lathes, presses, grinders and otherwise manufactured this fantastic machine. It removes rock ballast, smooths a section of each tie, applies a preservative.

Thanks to all these unseen people, the operator here counts for *twelve* men equipped with pick, shovel, adze, bucket and brush. It is the genius of America (and we're getting some pretty good imitators) that all this comes out right: the better equipped worker can earn a higher standard of living.

But there's another man missing here: the one who conceived of this improbable-looking machine in the first place. And this brings the American system into very sharp focus. This is the country where a man has the best chance in the world to get his idea built, sold, put into practice.

Every day there's progress toward making a railroad man count for more — whether he's a president getting new guidance from a computer's instant calculations or a man maintaining his share of our vast network of track.

How do railroaders keep up with this flow of progress? Through the pages of weekly RAILWAY AGE. What a place to talk about *your* ideas for progress!

Be part of the weekly excitement in

RAILWAY AGE

the transportation weekly

RAILWAY AGE

May 20, 1968 • Vol. 164, No. 19

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TOFC/COFC traffic and operating officers size up the future of piggyback—where new traffic will be coming from, how it will be handled, how it will be increasingly to shippers' advantage to use TOFC/COFC in one form or another.

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INDEX PAGE

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Change of address should reach us three weeks in advance of next issue date. Send old address with new, enclosing, if possible, your address label. Post Office will not forward copies unless you provide extra postage.

Circulation Dept.: John Rogers, Director of Circulation, 30 Church St., New York, N.Y. 10007. POSTMASTER—SEND FORM 3579 TO EMMETT ST., BRISTOL, CONN. 06010.
Printed at the Wilson H. Lee Co., Orange, Conn. 06477. Second-class postage paid at Orange, Conn. and at additional mailing offices.

SHORT AND SIGNIFICANT

N&W spending to be $48 million below last year

In line with the general tightening of purse strings throughout the industry, Norfolk & Western announced that its capital expenditures for this year will be about $75 million, a drop of $48 million from 1967 spending. N&W's vice president-finance, Hamilton M. Redman, said that since the Nickel Plate-Wabash unification, capital expenditures have exceeded $450 million—"very largely for equipment."

Carbuilder will convert property to industrial park

A sizeable part of Evans Products' property at Plymouth, Mich., will be made available for use as an industrial park, in connection with Evans' realignment of product lines. W. E. Finkenstaedt, vice president and general manager of the company's Industrial Division, said Evans will retain about 20 acres of the 115-acre tract, for continued manufacture of damage-prevention devices and specialized freight cars. Evans announced last month that it would cease production of general-service rolling stock (RA, April 29, p. 41).

Shipper calls transport laws unrealistic

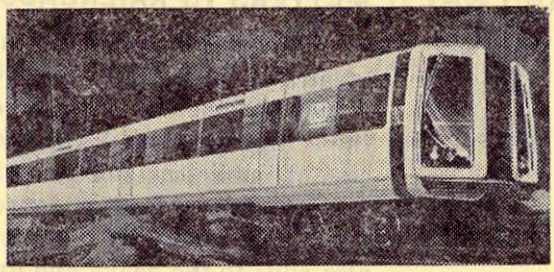
Archaic transportation laws have not caught up with the many rapid changes in transportation and distribution and are working against the carriers, the traffic manager for one of the nation's largest shippers said last week. Calling existing controls on transport "unrealistic, illogical and unconcerned with efficiency," Charles H. Sturgeon, general traffic manager for B. F. Goodrich, said regulatory practices today are accelerating the decline of all common carriers. He said regulation should not be punitive, it should be realistic and fair with emphasis on economics rather than politics, and should not be prejudiced.

New track-laying record claimed on Australian job

Word out of Australia last week was that an American-Canadian construction venture had established a new world track-laying record—more than four miles in one day. Rail-laying crews of Morrison-Knudsen-Mannix-Oman laid, spiked and anchored 4.35 of track in 11 hours, 40 minutes. The previous line-laying record was held by Santa Fe, which put down 2.88 miles in 11 hours in 1962. The Australian project, on the Mt. Newman iron ore railroad, is making use of a semi-automatic tie-laying machine which, with a 15-man crew, does the work of 60 men. The MKMO engineers also designed and built a special crane to load 16 quarter-mile-long strings of welded rail at one time.

SP's first quarter earnings are up, but inadequate

Southern Pacific had first-quarter net income of $28 million — up from $24.3 million in the '67 period. But SP President Benjamin F. Biaggini said the return was not enough in relation to the financing needed for necessary improvements and equipment. He said improved freight revenues made a modest contribution to earnings, the remainder came from non-rail sources.



Washington picks the design for new Metro cars

The men responsible for building the national capital's $2.5-billion subway last week decided on a design for the cars that will operate over the system. The design (see photo), described as one with "bold and dramatic styling," was one of several presented by Sundberg-Ferar, Inc., Detroit-based industrial designers. The firm is planning the interior and exterior of the Metro cars, and is working in conjunction with Louis T. Klauder & Associates, of Philadelphia, the mechanical designers. Each six-door, air-conditioned car will be 75 feet long, 10 wide, and will seat 81 persons.

MONDAY MORNING REPORT

FEEDING TIME AT THE PUBLIC TROUGH

Economics has been called the dismal science—and no task is more dismal for the economists of the Association of American Railroads than their annual compilation of how much money is currently being expended, at the various levels of government, for the aid and comfort of railroad competitors. The tabulation for 1968 has just been completed. As usual, it's as one-sided as an English cricket score.

WHAT GOVERNMENT IS SPENDING THIS YEAR . . .

	Federal 000,000	State and Local 000,000	Total 000,000
Airways, etc.	$ 922	$ —	$ 922
Airports	87	435	522
Airlines cash subsidy	59	—	59
Highways	4,894	12,663	17,557
Waterways	419	330	749
High-speed ground transport (incl. rail)	22	—	22
TOTAL	**$6,403**	**$13,428**	**$19,831**

. . . AND WHY IT MATTERS TO RAILROADS

The reason railroads take such a profound interest in the financial affairs of the airlines and highways and waterways should be fairly obvious to the student of economics—but for those who don't make the connection, the AAR offers this prefatory explanation: "Any excess of public costs of providing rights-of-way over charges collected from commercial users represents a subsidy to railroad competitors. Such uncompensated costs not paid for by the direct beneficiaries also adds to the heavy and growing burdens which general taxpayers, including the railroads, must bear."

IS IT A HOPELESS FIGHT?

Still, the airlines and highways and waterways must wonder why the railroads keep troubling year after year to compile this dreary boxscore (and the table reproduced above is only a small part of a 15-page report) when nobody outside of the railroad industry seems to listen—or to care. What railroads want, of course (and what every President within memory has recommended), is the imposition of compensatory user charges that would provide a greater measure of equal opportunity on the transportation marketplace. So far, the battle has been a losing one, and there is little prospect that it will be won this year—although the requisite bills are once again before Congress. But as one railroader put it last week: "One thing you learn in our business is that the race is not to the swift—but to the persistent. We're going to keep trying."

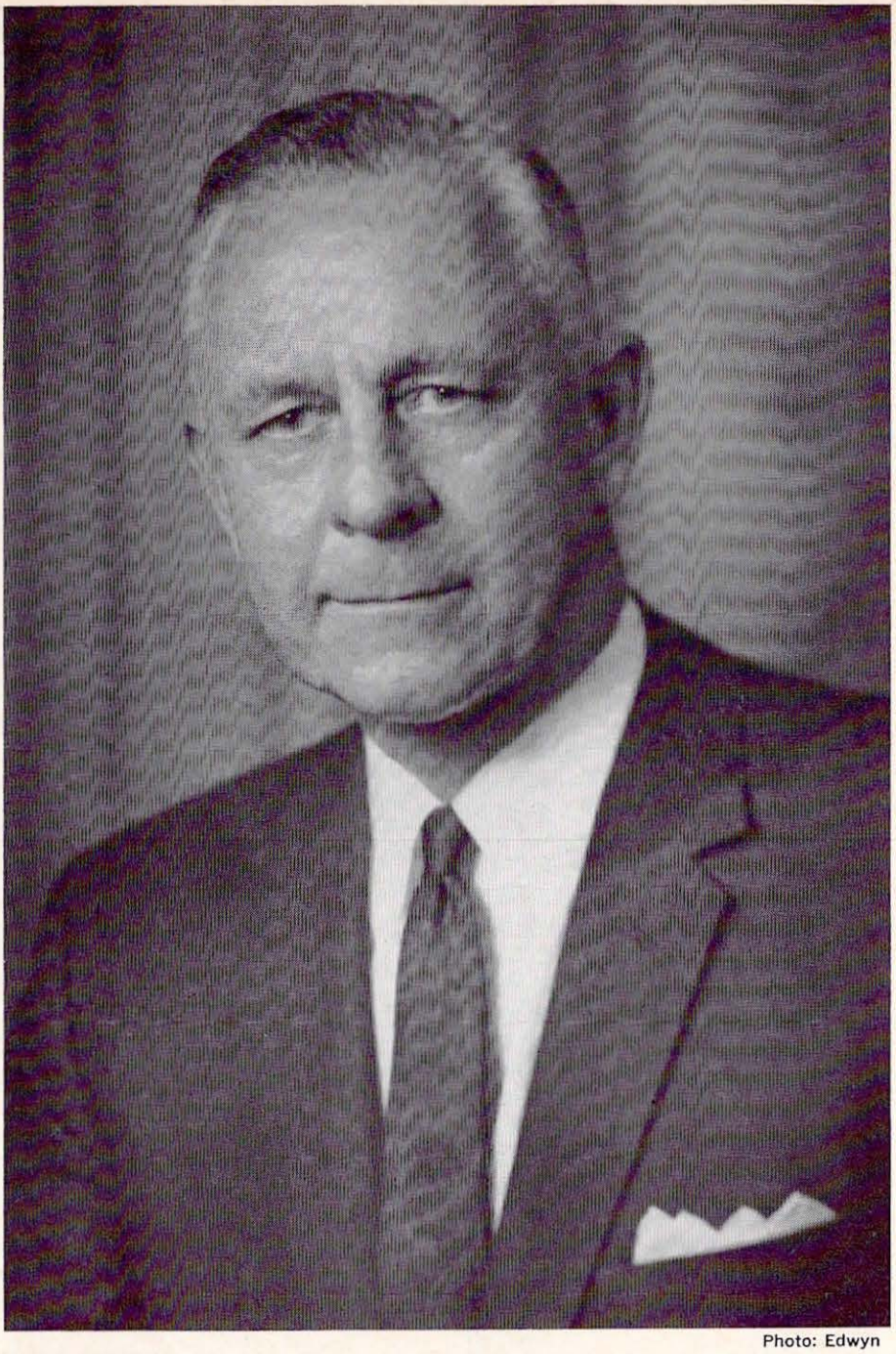


Photo: Edwyn

FRISCO

J. E. GILLILAND, PRESIDENT
St. Louis-San Francisco Railway Company

"In my opinion, Railway Age is increasing in its importance as a tool to keep management abreast of the important happenings within the industry.

"The addition of its brief features for quick reference to vital current subjects and its in depth reporting on new innovations within the industry, assist Frisco supervisory personnel in having a much better knowledge of the industry and its changes. As a result, it makes each of them a more valuable employe for our company."

The college contribution

is a two-way street

There are two ways to look at it.

There's the contribution the colleges make to business.

That's crucial.

Business employs about 42% of all college educated people. It uses their brainpower and skill in developing new products and methods. It fills management posts.

In the other direction, there's the contribution business makes to colleges.

The colleges welcome it. They need all the funds they can get. They're helping to prepare leaders for management, but the cost of this preparation—the whole cost of education—is going up sharply.

If business wants college talent, it must keep colleges in business. It can help finance their need for classrooms, facilities and especially teachers.

In this light, your aid-to-education program is an aid to your company.

SPECIAL TO MANAGEMENT—A new booklet of particular interest if your company has not yet established an aid-to-education program.

Write for: **"THE RATIONALE OF CORPORATE GIVING,"** Box 36, Times Square Station, New York, N.Y. 10036.

College is Business' Best Friend

COUNCIL FOR FINANCIAL AID TO EDUCATION

Published as a public service in cooperation with The Advertising Council and the Council for Financial Aid to Education.

ADVERTISING COUNCIL

WEEK AT A GLANCE

IC and GM&O shareholders approve merger

Shareholders of Illinois Central Industries (and of Illinois Central Railroad) overwhelmingly approved merger of the IC and Gulf, Mobile & Ohio railroads at the annual meeting in Chicago last week.

GM&O shareholders voted approval April 8. A joint application for merger approval was filed with the ICC May 16. Under the merger plan, properties of the two railroads would be transferred to a new corporation, the Illinois Central Gulf Railroad Co. This would become a wholly-owned subsidiary of Illinois Central Industries. Holders of each outstanding share of GM&O common would receive .75 of a share of a new Illinois Central Industries' $6 cumulative preferred. And a full share of that would be converible into three shares of IC Industries common.

Transit experts tour Europe

The third annual Rail-Transit Seminar Tour of Europe, sponsored by Railway Age, winds up this week. By the time the 32 tour participants return to New York, they will have traveled nearly 12,000 miles and inspected new and expanded rail transit systems in Munich, Vienna, Budapest, Moscow, Leningrad and Stockholm. A final seminar was scheduled for Montreux, Switzerland, to summarize the tour's findings. Members of the tour are pictured above as they left New York May 7. Railway Age Publisher Robert G. Lewis conducted the tour.

Justice's plea to court stays Northerns' merger

The Northern Lines' merger was delayed again last week by a special three-judge federal court in Washington. Granting a Department of Justice plea, the court issued a stay order which will remain in effect until July 1. Justice's case is based on allegations that the ICC did not give due consideration to lessened-competition phases when it approved the merger. That approval came in an April 19 report of the Commission. The merger contemplates formation of Burlington Northern, Inc. to take over Northern Pacific, Great Northern, and Burlington, and lease the Spokane, Portland & Seattle. The plan to make the merger effective May 10 was frustrated when the Department of Justice, early that day, got a 10-day stay of order from Chief Justice Warren of the U.S. Supreme Court. Then came last week's action of the three-judge court.

It was a 2-to-1 ruling, the dissenter having been Judge Edward M. Curran of U.S. District Court for the District of Columbia. He had previously refused a stay before the Department of Justice went to Chief Justice Warren. The three-judge court majority consisted of two judges from the U.S. Court of Appeals for D.C.—David L. Bazelon and Charles Fahy.

A slight upturn in rail profits?

The investment review published by Eastman Dillon, Union Securities of New York predicts that railroad profits "will make a moderate recovery" in 1968.

The financial house says first half gains "should be the more impressive since they will benefit from greater auto production and steel stockpiling." But it said increasing costs will continue to exert pressure on margins.

GUS WELTY

LINES ON LABOR

MAN'S FAITH in the ultimate triumph of common sense sometimes takes a fearful beating. But then something usually happens, to strengthen the force of logic and to prop up the faith once again. One such "something" has now happened in the crew-consist affair, which finds the Brotherhood of Railroad Trainmen battling to restore jobs while a small group of railroads tries to make life better for people.

THE TARGET RAILROADS have been offering extra compensation to men who work assignments with smaller crews. Illinois Central, in particular, has made sure its trainmen know what's involved, through a series of letters directed to employees (with copies to union leaders). IC has made no claims about the quantity or quality of feedback. BRT people, on the other hand, will declare that the men are standing firm in their rejection of what BRT President Charles Luna has termed "Judas money."

THEN, THERE WAS this switchman, an IC employee and a BRT member for some 10 years. He decided to take a vote in his terminal, East St. Louis. The ballot contained two propositions: "I desire that the BRT make every attempt to get all or as many as possible of the jobs [that were] eliminated replaced, striking, if necessary, to achieve that goal"; and "I desire that the BRT make a money settlement, the maximum amount they conclude to be reasonable, striking, if necessary, to achieve that goal." Money won, 33 to 8.

BRT LEADERSHIP has been told about this vote. BRT leadership has been asked to put the question to a system-wide ballot. IC management has also been told about the results of the poll, and they've been passed along to employees in another letter. A BRT-sponsored vote has to be regarded as highly unlikely. But the door is at least open now for other trainmen at other terminals to do their own sampling.

NOBODY EXPECTS that the BRT will come running to the compromise table on the basis of a single vote—even though the question was clearly stated, and the union position took a 4-to-1 drubbing. But at the very minimum, BRT people might want to do some re-assessing. After all, this vote did come out of a highly-industrialized area where union strength should be greatest—not out of some terminal in the boondocks where union organization is tolerated and not much more. It's a safe bet that management is giving most careful consideration to *all* employee reaction. Can union leadership afford to do less?

Milwaukee shows a healthy 56% first-quarter rise

Milwaukee Road earned consolidated net income of $1,340,357 in first-quarter 1968, compared wth $857,399 a year ago. And this 56% increase represents the third-best first quarter in 15 years, Curtiss E. Crippen, Milwaukee president, said at the annual meeting in Chicago May 14. However, he wouldn't comment on the second-quarter outlook.

Rail operations alone netted $640,080 in the first quarter, compared with 1967's $313,846—for an increase of 104%.

The increases came despite a 24% decline in grain carloadings, normally a strong source of revenue. One improvement factor, Crippen said, was favorable weather that permitted free loading and unloading. And a number of traffic categories rose: motor vehicles, 45%, primary iron and steel, 36%; piggyback, 23%; and lumber, 10%.

In addition, the first quarter figure reflects settlement of the Transcontinental Freight Divisions case that gave Milwaukee retroactive benefits.

Initially for 1968, Milwaukee will acquire 500 new freight cars and rebuild 900 others, Crippen said.

Leo T. Crowley, board chairman, said that by the end of the summer the ICC examiner's report will be ready on proposed merger of Milwaukee and North Western. "There are indications that it may be sooner," Crowley added.

Truckers predict big gains by 1980

Truckers can expect to be hauling 25% of the nation's freight tonnage—and take home 61% of the freight dollar—in 1980, according to figures released by the American Trucking Associations.

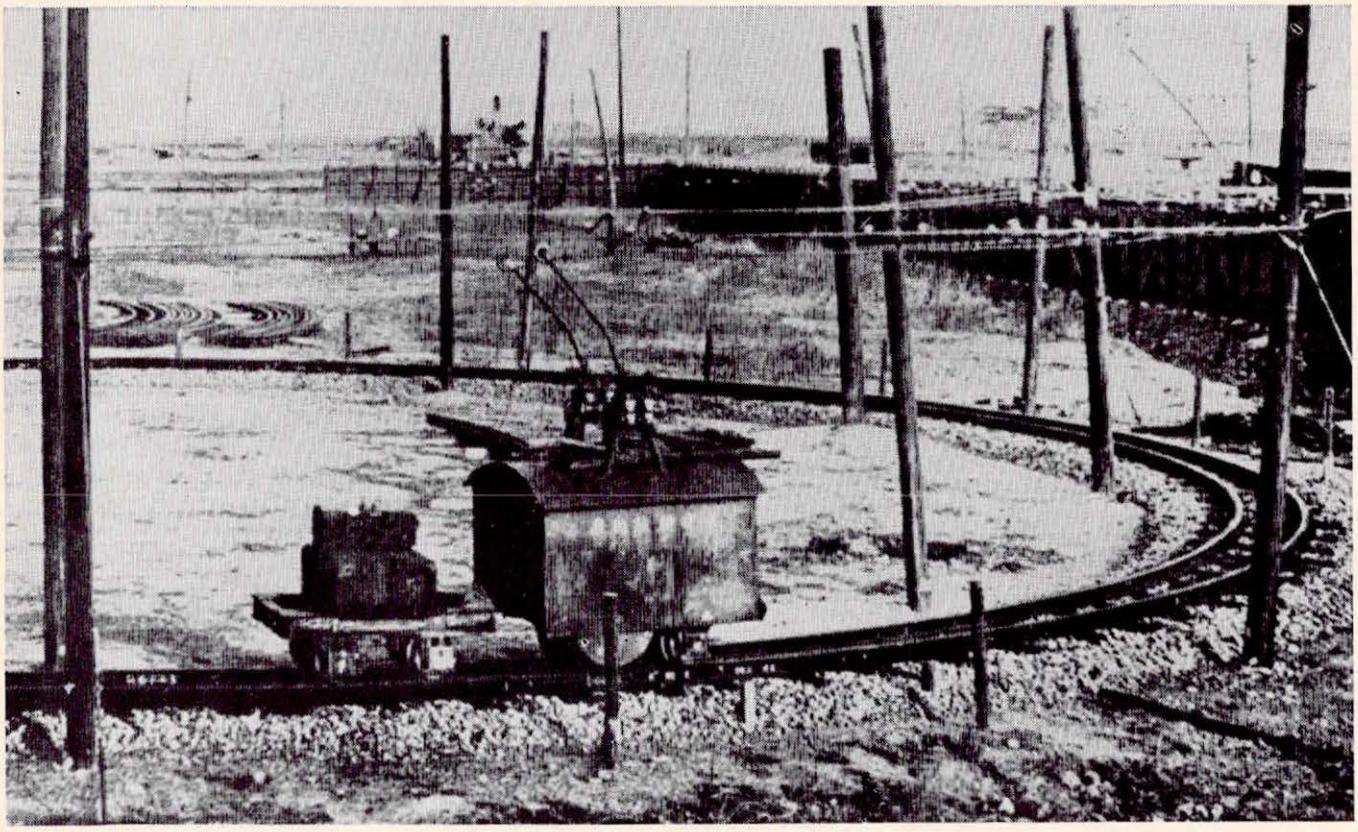
It's estimated that in 12 years, trucks will handle 728 billion ton miles of freight, 25% of the total, up from the present level of 22%. Railroads, according to ATA, will handle one trillion ton miles, or 35% of the total.

Truck revenues in 1980 are expected to top $24.4 billion, 61%, compared with current revenues of $11.1 billion, or nearly 40%.

Railroad revenues in 1980 are forecast at $11.5 billion, or 29% of the total. The truckers believe the demand for their services in 12 years will require a truck fleet of 25 million vehicles.

Sumitomo is the first foreign rolling stock parts maker to get AAR approval.

Is a history of original research the reason?



This photograph is 40 years old.
We took it at our Osaka Works in 1928 during a ten-year study of the abrasion of rails and rolling stock, in collaboration with the Japanese Government Railways. And presented the results of the research at the 2nd International Rail Assembly in Zurich in 1932.
The unusual thing is that today these results are still regarded as definitive. Nobody else has ever had to do this kind of research.
Maybe nobody else ever will.

Original rolling stock research characterizes our long history of manufacture. Our current work, for instance, will show us how to build wheels and axles for a new Japanese National Railways super-express expected to operate at speeds up to 160 mph. For this train, wheel tests are being conducted at speeds up to 200 mph.
And we built the testing machine.

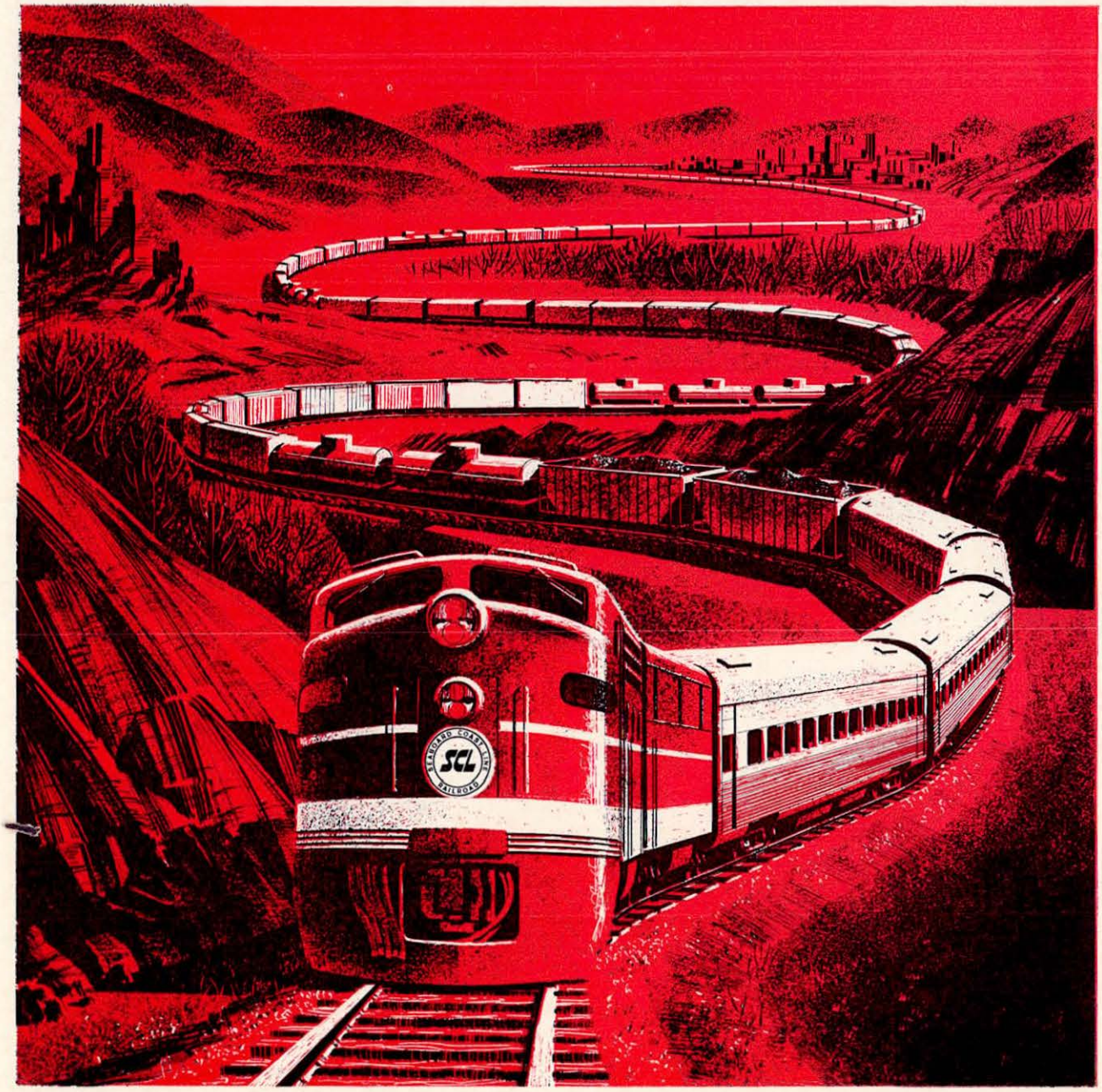
There's a multitude of ways you can benefit from our research, because we make more rolling stock parts than any other steelmaker.

In the world's largest (and most economical) wheel-making mill.
Our rolling stock parts line is so complete that you may never have to turn to another supplier.
And the quality of these products is unquestioned. That's another reason why we're the first foreign rolling stock parts maker to get Association of American Railroads approval, for wheels, axles and wheel sets.
We'll tell you more if you write.

SUMITOMO METALS
SUMITOMO METAL INDUSTRIES, LTD., TOKYO, JAPAN

Circle 4 on coupon page 32

Seaboard



Coast Line

Building a new future with a 600-mile train.

60,000 passenger and freight cars—enough to make up a 600-mile train.

This is the new Seaboard Coast Line. It is also 1,000 locomotives. Some 10,000 route miles of track.

And service—better service with greater economy—that assures growth and success of the Seaboard Coast Line as the nation's newest and eighth largest railroad.

Faster, more dependable and flexible schedules. More direct routing. Improved port terminal facilities. More specialized equipment. Reduced loading minimums. Elimination of switching charges.

As the Seaboard Coast Line serves shippers and passengers in six Southeastern states, American Oil continues to offer technical assistance and convenient supply points for diesel fuels and lubricants.
American Oil Company, Chicago, Illinois 60680.
"You expect more from American and you get it!"*

AMERICAN

©1968, The American Oil Company, Chicago, Ill. *Trademark

Circle 5 on coupon page 32

GOLDEN SPIKE

ARAM's top award was won this year by Champion Paper's 15-minute, railroad-oriented color film called "Imagination X." The film is part of a continuing program established by Champion in 1963 to stress the important role paper can play in communications—if it is used with imagination.

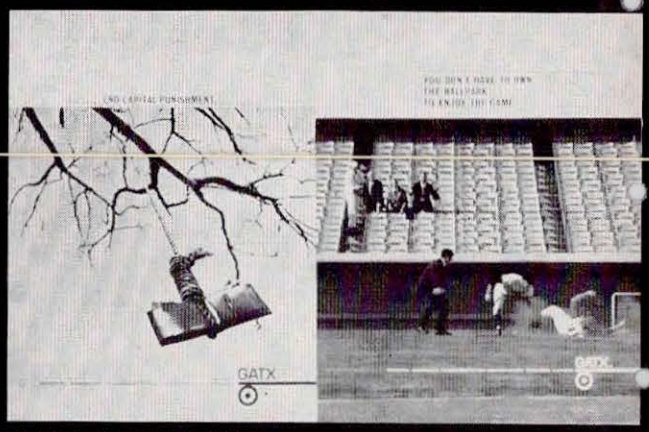
SILVER SPIKE

Silver Spike Awards went to Bethlehem Steel for a magazine advertising campaign; to General American for three magazine campaigns submitted as one; and to the Railway Progress Institute for a campaign to show shippers that railroads are today's best buy in the transportation field.

BETHLEHEM STEEL

Ad men pick the winners

(and get spanked for some losers)



GENERAL AMERICAN

RAILWAY PROGRESS INSTITUTE

Association meeting programs are supposed to provide food for thought—and it was a mentally-wellfed group of railroad advertising managers who scattered from St. Louis last week at the breakup of their 44th annual meeting.

Over-all, the three-day conference of the Association of Railroad Advertising Managers produced a series of highlights, including:

—Presentation of the Golden Spike Award, along with Silver Spike and Merit awards, to honor non-railroad advertisers whose work over the past year best helped to tell the railroad story. (For winners, see photos on this and facing page.)

—A detailed look at the pre-merger and post-merger advertising planning and programs through which Atlantic Coast Line and Seaboard Air Line spread the word that they were becoming Seaboard Coast Line.

—A hard-hitting critique of current railroad advertising, in which few roads escaped at least one trip to the woodshed.

—A long look at the problems railroads have in telling their story to a variety of publics, and a critical view of the various postures adopted in doing this job.

—Outlines by media and agency people and by representatives of major shippers of the goals of railroad advertising and the ways in which corporate ad managers can boost their companies toward those goals.

● **When two roads merge. . .** From a direct-interest standpoint, it would have been hard to top the adman-in-merger story told by Donald T. Martin, SCL assistant vice president: just about every ARAM member in the room was either a recent or a current participant in the merger movement, in one way or another.

Martin touched on a number of problems peculiarly related to merger: The difficulty in making firm plans before merger, because of the number of "unknowns" involved; the difficulty in settling on appropriate and acceptable symbols to show the linking-up of two companies which had traditionally been competitors—in about eight years, he recalled, "we must have looked at 150 designs" before making a final choice.

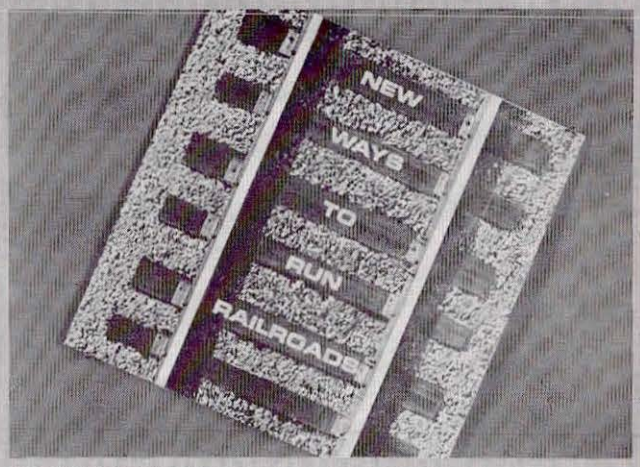
Then, of course, M-for-merger day comes, and all elements of a complicated program have to function simultaneously and smoothly. It was in this vital connection that Martin urged the closest possible coordination between advertising and public relations operations within and between the merging companies.

Aside from the SCL merger story, ARAM's concentration was on external opinion—and some of it was pretty harsh.

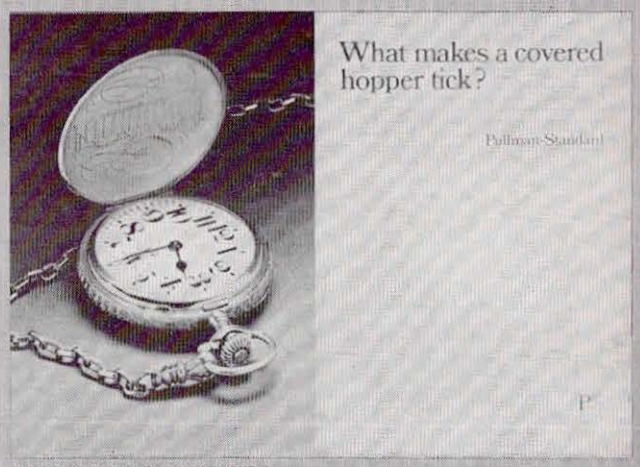
There was, for instance, the survey of railroad images laid out by David Skyler, senior vice president and director of client services for Griswold-Eshleman—who observed that railroads appear to suffer from a schizophrenic approach, turning a somewhat different face to different publics.

MERIT AWARDS

There were two Merit Awards by ARAM. One went to Alco Products, Inc., for a direct mail booklet entitled "New Ways to Run Railroads." The goal was to win public support for American railroads. The second Merit Award was presented to Pullman-Standard for a nationwide magazine campaign.



ALCO PRODUCTS



PULLMAN-STANDARD

● **The many faces of railroads.** How do railroads appear? Skyler had a list: To the ICC, they turn a doleful countenance. To security analysts, they're self-assurance in a Brooks Brothers suit. To federal and state governments, they're self-righteous protestors. To labor, they show the air of the exasperated paternal figure. To suppliers, they're well-heeled prospects. To shippers, they're beaming salesmen. To passengers, they're reluctant conductors.

With all this, he noted, the public is confused. And, in his opinion, the postures adopted by the industry have been neither exciting to the younger generation nor convincing

GET TOUGH, GET MEAN, BRAG A LITTLE

to the middle generation nor satisfying to the older generation.

Skyler did wind up, however, on a optimistic note—based on major efforts being made to change the industry image and to humanize the railroads.

His suggestions: Get tough, get mean, speak out, brag a little. And, perhaps, take as a new motto this one: "Strategy basic, tactics bold."

● **Where the ads fall down.** Equally pointed was the broad critique of today's railroad advertising by W. Kendall Brown, executive vice president of The Zlowe Co. Brown reviewed several hundred ads, came up with specific comments on the offerings of about two dozen roads—and found plenty of room for improvement.

Among Brown's major points of criticism:

—Too often, there seems to be a tendency to use the verbal ploy, the turn of phrase. The result is an ad which doesn't really come through as businesslike, or with a solid stance.

—There's a kind of "EDP hangup noticeable in too many campaigns."

—Too many ads are unexcitingly illustrated, with equipment often used as a "crutch." As Brown put it, this kind of approach might be called the "let's-show-'em-the-rolling-stock-syndrome."

—Zlowe's executive vice president found perhaps a half-dozen roads whose campaigns pass muster, and a couple whose work was described as consistently good. But for much of railroad advertising, he had biting criticism—ranging from "I haven't seen anything like this since 1940," to "This is a childish point, made very dully," to "This one drives me up the wall; it's old-fashioned, pretentious and terribly expensive."

● **What does it prove?** One of the key points running through the ARAM meeting was the need for ad measurement—the "result" factor. Management, as Brown phrased it, "must see tangible and worthwhile results."

Among his suggestions for ad improvement: Eliminate the generic words; throw out the adjectives that don't deal with one of the five senses; engineer programs for definable results; work with agency creative people, for mutual advantage; and "above all, give the agency clear-cut objectives before the planning starts."

Top management's understanding and appreciation of advertising also came into the spotlight, in less-than-wholly-complimentary fashion. Management, one speaker observed, "buys what it can understand. Lack of understanding is probably the main reason when management does not buy advertising." A second comment was put even more strongly: "Some top managements tend to become catatonic when confronted with advertising problems. . . . Often it seems that few good investment reasons for advertising can be seen, so ego is substituted."

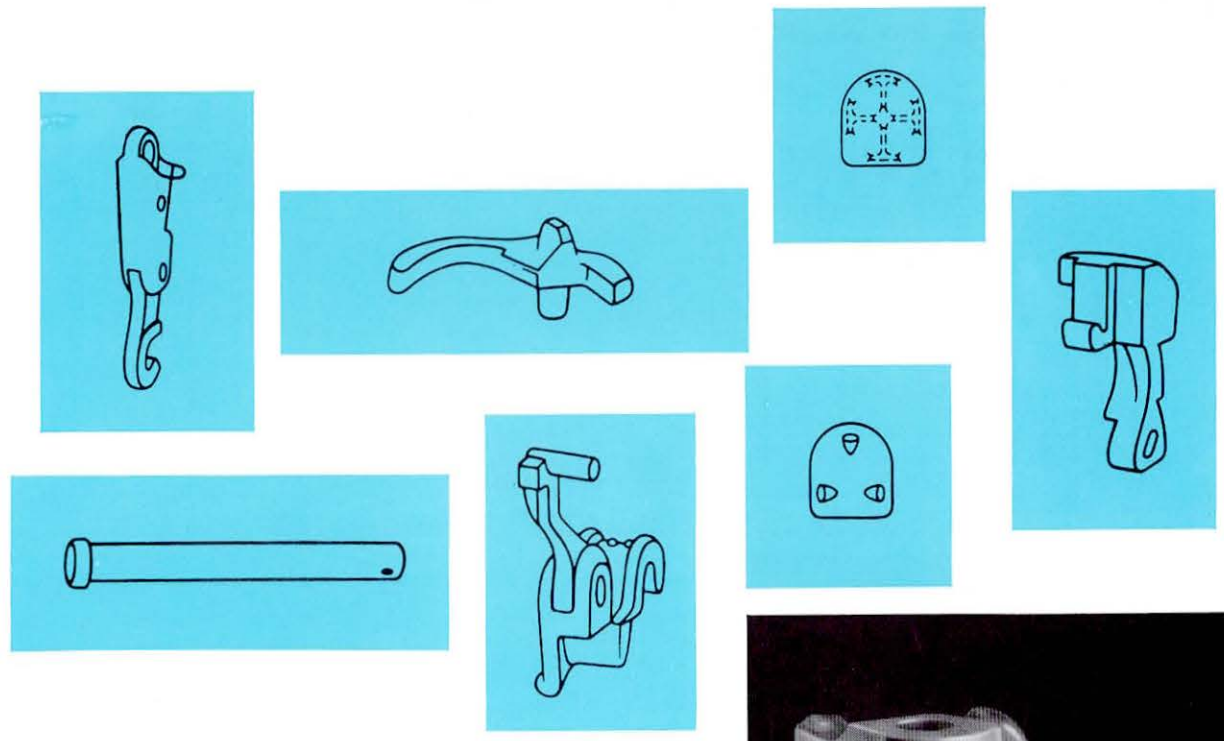
● **Patterns for praise.** Where praise was heaped on industry advertising, certain patterns tended to emerge. Those ads came off best where the meaning of visual display was immediately apparent, and where copy dealt in hard fact handled brightly and tightly. The single ad which Brown termed the best of the several hundred he had surveyed was, actually, a bit cluttered—but it came out on top because of the facts it presented to the reader and the promises it made to him. And the total campaign which was regarded as ranking with the leaders came over as "very sharply written. . . with style and grace and personality."

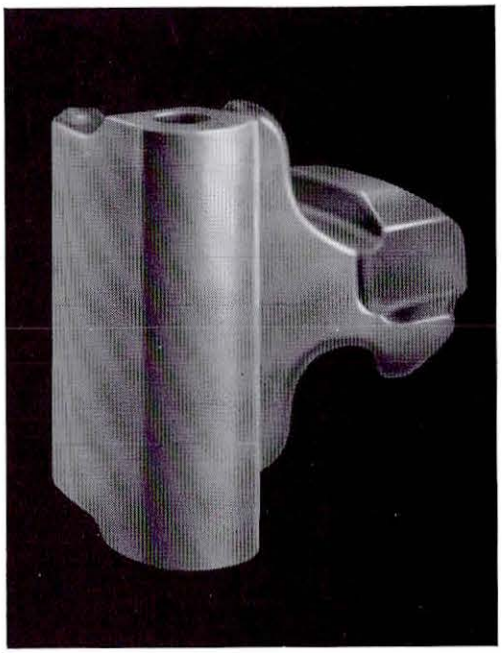
After two days of introspection, ARAM wound up with a four-part look at physical distribution today, set up its slate of officers for 1968-69, and headed home—with plenty to ponder.

New president of the organization is Harold E. Hampton, advertising manager, Canadian National, succeeding Louis H. Coffin, manager-advertising of Frisco. Other officers are: First vice president, Norman M. Stone, director-visual aids and special projects, Penn Central; second vice president, Maynard O. Edwards, advertising manager, Norfolk & Western; third vice president, L. J. Barbeau, advertising manager, Milwaukee Road; and executive secretary and treasurer, Joe D. Singer, advertising manager, Chesapeake & Ohio/Baltimore & Ohio. ■

The men who chose the winners

Committee of judges for ARAM's 1968 Golden Spike Advertising Competition included (l. to r.): L. H. Coffin, manager, advertising, St. Louis-San Francisco, St. Louis; H. E. Hampton (committee chairman), advertising manager, Canadian National, Montreal; R. H. Craib, assistant transportation editor, Business Week, New York; J. M. Benson, traffic manager, Canadian Industries Limited, Montreal; and A. Ness, vice president and director of creative services, McConnell Eastman Ltd., Toronto.





how to make older couplers feel young again

[without the use of magic]

CALL ASF—Order a knuckle or any other part—for **any** make of coupler. (Only ASF furnishes **every** type of AAR approved coupler.)

YOU'LL GET—a part that exceeds AAR specifications. The toughest, most rugged part that can be built. Fast delivery from our complete inventory.

THEN INSTALL—and PRESTO!! an older coupler feels young again.

TO AVOID ANY HOCUS POCUS, call your ASF representative, or write American Steel Foundries, 1005 Prudential Plaza, Chicago, Illinois 60601. You'll be pleased, and so will we.

ASF **American Steel Foundries**

ONE OF THE Amsted INDUSTRIES

The 3600-hp Alco is new from truck to turbocharger.

Alco 636's on the Spokane, Portland and Seattle.

The economics of tomorrow's railroading will depend on high speed and low, low operating overhead. That's why the Spokane, Portland and Seattle bought our new Century 636's today.

Check out the new Century 636. It offers the best of both worlds: better low speed and high speed performance. Plus more economical operation. Here's why.

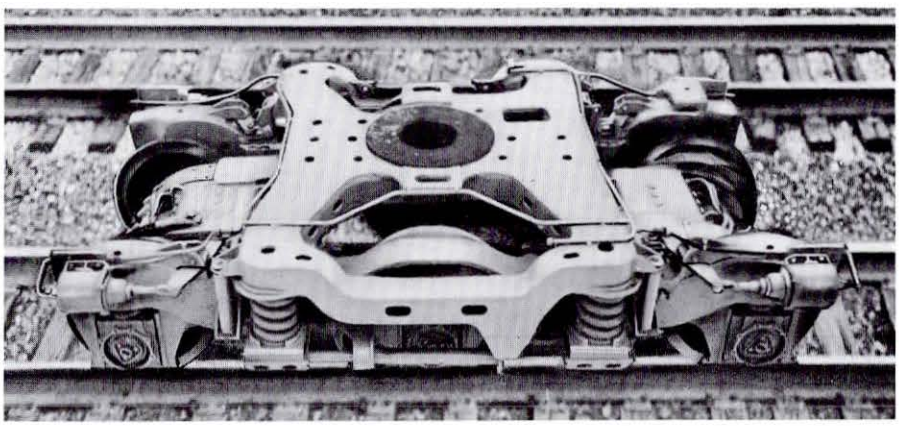
All new trucks.

New 3-axle Alco trucks. America's first all-new locomotive trucks in 25 years. They're engineered for mainline duty at high speeds. And they offer tremendous traction at slow speeds.

Double coil springs flatten out track irregularities. Help eliminate wear. Bolster anchors at axle centerline equalize loads on each axle for better tractive effort utilization. Our new trucks are backed by automatic wheel slip detection and correction at both high and low speeds.

More powerful 3600 hp engine.

We've introduced a new 251 diesel engine that delivers 3600 horsepower for traction. It's an advanced version of our Model 251 engine that is featured on other Century locomotives.



The advantages? Engineering that's been well-proven over millions of miles. Parts interchangeability. Familiarity with engine design and service.

We've designed new air and fuel systems incorporating a new Alco Model 165 turbocharger, higher overlap camshafts, and higher capacity fuel injection pumps. With these changes the engine uses fuel more efficiently, breathes more freely, runs cooler, and delivers the power. There are still only 16 cylinders, thus there are fewer working parts, fewer complications and less engine wear.

We've also added a number of other reasons to order from Alco.

New steel-capped aluminum pistons combine long wear in the ring area with light-weight body—to ease the load on the crankshaft and bearings.

We've added capacity. 17% more sand. 30% more lubricating oil. And more fuel. We've kept the same dimensions as on our 3,000 hp unit.

We have complete technical data ready and waiting. Just write Locomotive and Engine Products Division, Alco Products, Inc., Dept. 1010-82, Schenectady, New York 12305. Alco Products is a subsidiary of Worthington Corporation.

ALCO

TORDON 10K Pellets herbicide, Agricultural & Industrial Bioproducts Sales, The Dow Chemical Company, Midland, Michigan 48640.

He always gets the brush off.

Sure. Fast. Easy. Tordon® 10K Pellets herbicide. A single handful takes care of 30 square feet of the toughest brush growing along the right-of-way. Lets one man do a big job. No need for expensive equipment. Perfect for spot problems. Ask your Dow representative, or write direct for details. You'll get the brush off.

DOW

UP calls '67 second best in its history

Union Pacific stockholders were told at last week's annual meeting that 1967 was the second best year in the railroad's history.

Earnings totaled $102.1 million, or $4.42 per common share, on an ICC basis, and $80.7 million, or $3.47 per common share, after providing for deferred taxes of $21.4 million.

This was accomplished despite several obstacles, Frank E. Barnett, chairman of the UP's executive committee, said. Among the obstacles he cited were a $15-million decline in revenues caused by strikes and general sluggishness in the economy early in the year, plus the impact of higher wage rates, fringe benefits and material costs.

● **New equipment purchases.** The road acquired $131.5 million worth of new equipment last year, Edd H. Bailey, UP president, told the meeting.

Of the equipment acquired last year, Bailey added, $33.1 million worth was leased to the Rock Island, which now has some $56 million of equipment under lease from UP.

A 17.6% increase in total net income from oil and gas operations before federal income taxes was reported by Lee S. Osborne, chief executive efficer of UP's natural resources division. Osborne said net income from oil and gas operations accounted for about 14% of the road's 1967 net income before federal income taxes.

UP continued to expand its holdings of prime industrial property last year. John W. Godfrey, assistant to the president-industrial relations and chief executive officer of UP's land division, told shareholders that $17 million was spent on land acquisitions in 1967. That, he added, brought the total cost of land acquired for industrial purposes during the past three years to $42 million.

● **Rock Island merger.** Commenting on the Rock Island merger project, Barnett said major offers of relief had recently been made to the Chicago & North Western and Denver & Rio Grande Western in an attempt to remove the road block they have placed in the way of the merger. UP, he said, had offered to guarantee for seven years, and possibly longer, UP's estimate of traffic loss to the C&NW as a result of a UP-RI merger. That, he pointed out, was an effort to eliminate the one issue C&NW has raised. ■

LUTHER MILLER

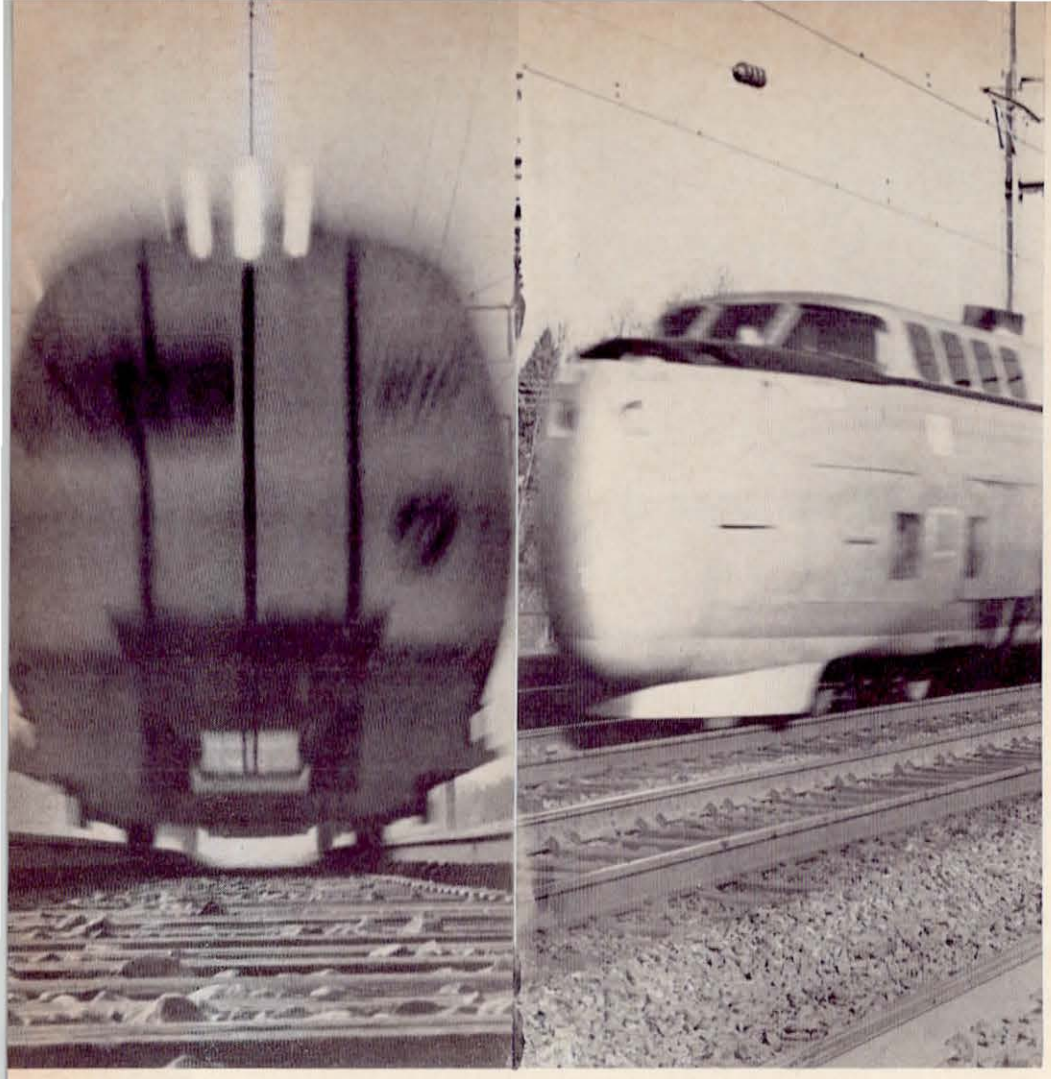
AS THE EDITOR SEES IT

THE TIMES STRIKES—Is the ICC "the sleepiest and least effectual" of all the regulatory agencies? Has it been too busy "pampering the railroads" to protect the interests of the public? Have the railroads, for their part, mesmerized these sleepy, ineffectual commissioners into accepting "the propaganda myth that maintenance of passenger service is a matter of interest only to a dwindling number of train buffs"? The answer to all of these questions is "yes"—if you believe The New York Times. Enough people of consequence do believe The Times to make last Monday's lead editorial a matter of the gravest concern.

HOTFOOT FOR WHOM?—The Times labeled its essay "Hotfoot for the ICC," but it is railroad management that really gets burned—that management which, The Times asserts, is flimflamming the public. The Times reached its conclusions after studying the report of ICC Examiner John S. Messer, who proposed that railroads be required to maintain passenger trains—at damn-the-expense—for those who don't like to drive and are afraid to fly. (Messer believes that many people who fly are "under the influence of a sedative agent" and are "white-knuckled"— an observation that The Times, which has its own airplanes, did not pick up.)

'NO ORDINARY BUSINESS'—What The Times did pick up, enthusiastically, was Messer's proposition that railroads are obliged to provide a service that meets the requirements of a few, even at a deficit. As The Times put it: "Railroads are not ordinary business firms; they are quasi-public corporations endowed with enormous land grants and the power of eminent domain in order to provide transportation for persons and goods."

WHO WILL REPLY?—The reaction of many railroad men to the Messer Report was that it might go away if ignored. This has not proved to be the case. Up to now, we have seen no good railroad reply to the Messer proposals. The real question is not whether railroads are losing money on most passenger trains (nobody doubts that they are); nor is it disputable that railroad service continues to be convenient and desirable for some travellers. The question is whether the "quasi-public" railroads have an obligation to furnish service-for-a-few at a loss, and it is to this question that railroad men must address themselves. The stakes are big. If the Messer principle prevails, what is to prevent its extension to LCL, for example—or to branch-line service?



FAST PASSENGER SERVICE in the Northeast Corridor will be provided by the Metroliner (far left) and the TurboTrain, now in final testing.

WHO WILL RIDE THESE TRAINS?

• Would you? If you now fly between New York, Washington and Boston, and fast rail service were offered that matched or beat air time, would you rather switch than fight?

• Would you? If you could depend on fast, clean, air-conditioned passenger service that had all-weather reliability and got you there when it said it would?

• Would you? If truly high-speed, two-hour service were provided, Boston-New York, New York-Washington? And would it get others off those planes?

By WILLIAM E. GRISWOLD
Arthur D. Little, Inc.

When we think of high-speed trains in the Boston-Washington corridor, the first question that may come to mind is: "Where are they?"

In following the progress of the test runs of the new trains, it is apparent that both the TurboTrain and the Metroliner have had a share of technical "bugs" much like those commonly experienced in the design and development of new aircraft.

The trains have to run before we can ride on them—but now that operations are scheduled to begin in a few months a much more important question is being asked: "Will anybody ride the trains?"

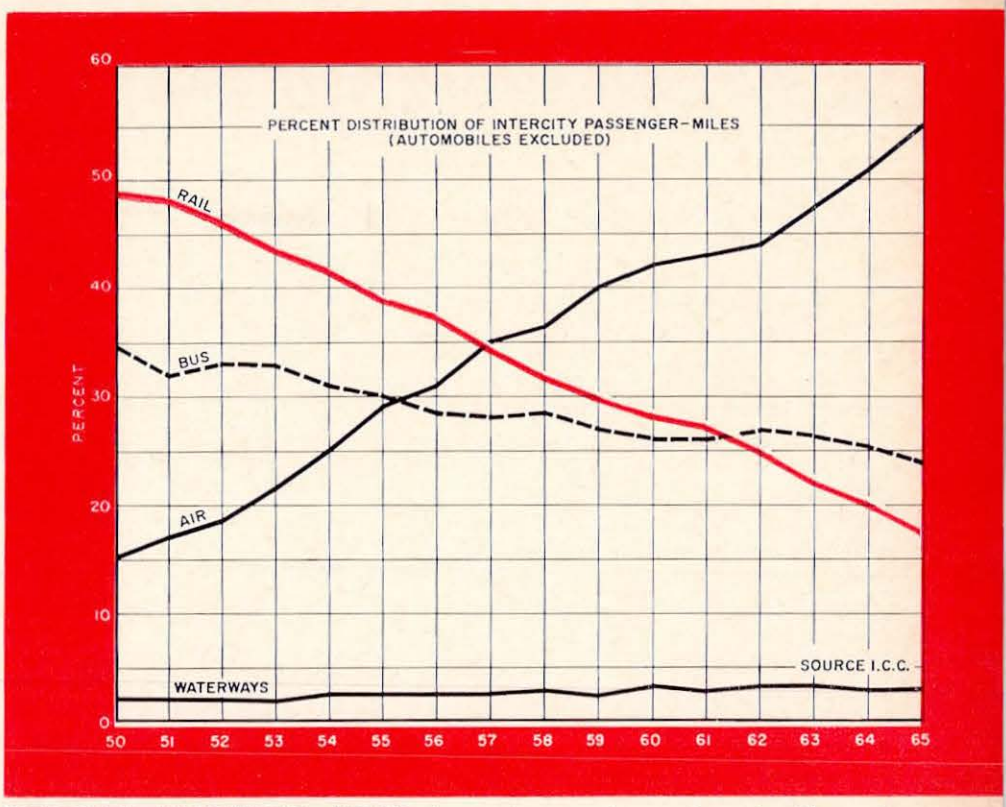
Ten years ago, this question would not have been asked because we all thought then that on any trips to New York in the foreseeable future we would be flying. Once the Shuttle was introduced, all one had to do was hop out to the airport in a cab, get on a plane, no reservation needed, and fly down to New York in something like an hour. From downtown to downtown, the whole trip took about two hours.

Today, population has increased, passenger volume is up, and delays are more frequent and last longer. As many a Sunday supplement has pointed out, we spend more time on the ground than we do in the air.

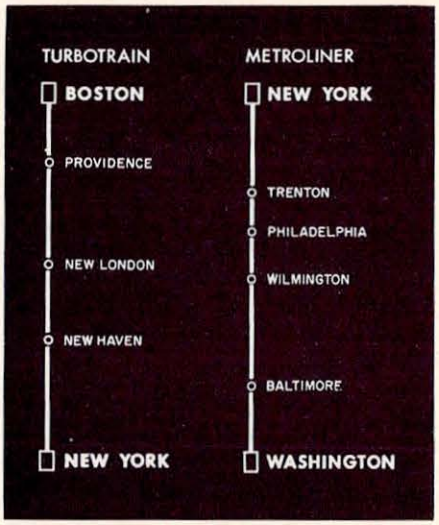
Because of airport congestion in New York, there have been proposals for a fourth airport (to be followed no doubt by a fifth when the fourth reaches capacity). But the problem of finding a suitable location close enough to the city to be of use to New York-bound travelers has thus far proved insurmountable.

One role of government, specifically the Department of Transportation, is to provide some rationalization of the way people make their journeys. Certainly, people don't fly to New York from Stamford and White Plains: they take commuter trains. As the distance increases, so does the proportion of total travelers who choose to fly. Between cities within the Boston-Washington Corridor, airline flights take a little over one hour. Some people reason that to compete with jet flights, a train is needed that goes 400 miles an hour.

Engineers report that the steel wheel on a steel rail is a very good system:



INTERCITY PASSENGER MILES by mode are shown above in Figure I.



HIGH-SPEED RAIL ROUTES are listed above in Figure II.

it is relatively friction free, safe and is unaffected by weather. But, above 150 miles an hour there are severe penalties, among them the friction of the flange against the rail. The man who wants to get from Boston to Washington in two hours concludes that the train will not be of much use.

If you believe your Sunday papers, the answer is supposed to be "people pods in pneumatic tubes." Drawings show passengers seated in cylinders traveling in department store-type pneumatic tubes. By introducing a jet of air behind the cylinder and a vacuum in front, the cylinder will be whooshed down to Washington in something under 60 minutes.

What the Sunday supplements fail to point out is that an entirely new system would not only be prohibitively costly, but also would require 10 or more years to develop. The growing problem of travel congestion in the Corridor demands a more immediate solution.

The Department of Transportation has posed these questions: Would anybody ride a train if it were possible to get to New York in less time than it takes to fly? Would enough short-haul passengers return to rail travel to relieve New York airports of congestion? Could the number of short-haul flights be reduced so as to make room for the increasing demand for long-haul flights?

But, as railroaders are quick to point out, people won't ride trains except when it snows or is foggy. Railroads have found it very unprofitable, as any business would, to be in business 365

THE TURBOTRAIN AND THE METROLINER: ON

days a year only to find most of the seats empty unless the weather is bad.

According to the skeptics, there is no future for rail passenger service. As "proof" they cite the trend of passenger volumes by mode as shown in Figure I. This graph compares the relative distribution of intercity passenger miles by mode, with automobiles excluded. The volume of intercity bus passengers deserves special mention because it has been so relatively constant. The gradual slope on the graph suggests not that the number of bus passengers has declined but that the bus lines' share of market has not kept pace with the over-all growth in the demand for intercity travel. The graph shows clearly the effect that the development of relatively inexpensive and reliable service has had on the demand for intercity rail passenger service. Since 1950, the airlines' share of the market has more than doubled, at the expense of the railroads. The airlines' penetration in the market goes from 15% to 55%; the railroads' drops from 50% to 20%.

However, there has been very little study to convert this information into specific data capable of answering the question, "How many people would prefer to travel by rail if higher-speed trains were available in the Boston-Washington Corridor?" A partial answer is available to the experienced researcher in an excellent study by the Systems Analysis and Research Corporation (SARC), commissioned by the Office of Undersecretary of Commerce for Transportation, and entitled *Demand for Intercity Passenger Travel in the Washington-Boston Corridor,* (Washington, D.C., 1962). This study is a very capable analysis of the probable impact of proposed schedule improvements on the demand for rail service, but because it is couched in mathematical terms it has received relatively little public attention.

These are the questions which the layman would like to have answers to: What mode will Corridor travelers choose to rely upon? Are there any new passengers who aren't already traveling by train who would ride a faster train? Where would these passengers come from? If the railroads simply cater to the declining demand for today's rail service by offering a faster, and more costly, service, wouldn't they simply be adding to their deficits if no new passengers could be attracted? Given faster rail service, how many passengers would rather switch than fight?

There is a relatively simple, easily understood analysis which can be made of the dynamics of the demand for intercity passenger service, in the Boston-Washington corridor. The following analysis, it is felt, will demonstrate that the TurboTrain and Metroliner are "on the right track."

The first step in an analysis of passenger travel preferences is to identify the city pairs which will be served by the service under consideration. Then for each of these markets (city pairs), one has only to find the share of the total market which will return to the train under varying assumptions about improvements in the speed of train service. For the purpose of this analysis, it is assumed that the trains will serve the routes shown in Figure II. (Suburban stations in major cities are grouped with the downtown station and considered as one market.) The cities named, when combined all possible ways—Boston-Providence, Boston-New London, Boston-New Haven, etc.—yield a total of 25 markets, 10 from Boston to New York, and 15 from New York to Washington.

In these markets, how much faster would rail service have to be to produce a shift in demand from one of the other modes? In order to simplify the variables in this analysis enough to reduce data requirements to a reasonable level, two basic assumptions should be made. The reader is asked to assume that persons traveling today by auto and bus are relatively immune from diversion to a service whose principal feature is speed. Motorists already have a faster alternative service available to them in the form of air travel.

As projected, the train fare will be $13.00 from Boston to New York, which is no cheaper than the lowest airline fares over the same route. For the motorist, faster rail service will offer little, if anything, not already available from the airlines. If the prospect of getting to New York in 2½ hours were sufficient to wrest the motorist from his automobile, he would have switched to air travel over the past several years (as have a significant number of auto travelers). However, for those who remain motorists, more than speed will be required to get them to change their travel habits.

Let's assume for purposes of this article, that all of those currently relying

TABLE I

PASSENGERS BY MODE IN THE TWO LARGEST CORRIDOR MARKETS

MODE	New York — Philadelphia Business —000—		Non-Business —000—		Modal Sub-Total		New York — Washington Business —000—		Non-Business —000—		Modal Sub-Total	
Automobile	367	58%	1,151	46%	1,518	48%	90	19%	507	39%	597	33%
Railroad	163	26%	939	37%	1,102	35%	64	14%	364	27%	428	24%
Bus	75	12%	427	17%	502	16%	35	7%	375	28%	410	23%
Airline	25	4%	6	..	31	1%	287	60%	76	6%	363	20%
	630	**100%**	**2,523**	**100%**	**3,153**	**100%**	**476**	**100%**	**1,322**	**100%**	**1,798**	**100%**

Source: Systems Analysis & Research Corporation, **Demand for Intercity Passenger Travel In The Washington — Boston Corridor,** Offices of the Undersecretary of Commerce For Transportation, Washington, D.C., 1962.

RIGHT TRACK?

on the automobile for intercity travel will continue to drive. The utility of this assumption is that most of the motorists will, in fact, continue to drive, and those who do switch will be but a small proportion of the new passengers who, potentially, will be attracted by faster rail service. Persons who travel by car on a non-business trip—vacation, visit to friends or relatives, returning from school, etc.—generally travel in a group

TABLE II

AVERAGE TRAVEL TIMES BETWEEN DOWNTOWN AND AIRPORT, PRINCIPAL CORRIDOR CITIES

City	Airport	Miles From City	Travel Time Downtown To Airport
Boston	Logan	3	20
Providence	Green	7	20
New London	Trumbull	4	20
New Haven	Municipal	6	20
New York	LaGuardia	8	40
Trenton	Mercer County	6	20
Philadelphia	International	7	30
Wilmington	New Castle County	8	20
Baltimore	Friendship	11	20
Washington	National	5	20

SOURCE: Arthur D. Little, Inc.

TABLE III

TRAVEL TIME IN MINUTES BETWEEN PRINCIPAL CITIES IN THE BOSTON-WASHINGTON CORRIDOR

Markets	Rail Miles	Travel Time: To and From Airport*	Travel Time: Jet Flight Time	Downtown To Downtown By Air	Downtown To Downtown By Rail**: Current Schedule 55 mph Average	Downtown To Downtown By Rail**: Demonstration 75 mph Average	Downtown To Downtown By Rail**: Super Express 110 mph Average
TURBOTRAIN							
Boston—Providence	44	50	25	75	**75**	**65**	**55**
—New London	106	50	N.A.	N.A.	**145**	**115**	**90**
—New Haven	157	50	45	95	200	155	**110**
—New York	229	70	50	150***	280	215	**150**
Providence—New London	62	50	N.A.	N.A.	**100**	**80**	**65**
—New Haven	113	50	N.A.	N.A.	**155**	**120**	**90**
—New York	185	70	50	150***	230	180	**130**
New London—New Haven	51	50	N.A.	N.A.	**85**	**70**	**60**
—New York	123	70	45	145***	165	**130**	**100**
New Haven—New York	72	70	30	130***	**110**	**90**	**70**
METROLINER							
New York—Trenton	58	70	35	135***	**95**	**75**	**60**
—Philadelphia	86	80	40	150***	**125**	**100**	**75**
—Wilmington	118	70	40	140***	160	**125**	**95**
—Baltimore	186	70	45	145***	230	180	**130**
—Washington	226	70	50	150***	275	210	**150**
Trenton—Philadelphia	28	60	20	80	**60**	**50**	**45**
—Wilmington	60	50	N.A.	N.A.	**95**	**80**	**60**
—Baltimore	128	50	N.A.	N.A.	**170**	**130**	**100**
—Washington	168	50	75	125	215	165	**120**
Philadelphia—Wilmington	32	60	N.A.	N.A.	**65**	**55**	**50**
—Baltimore	100	60	35	95	140	**110**	**85**
—Washington	140	60	45	105	185	140	**105**
Wilmington—Baltimore	68	50	N.A.	N.A.	**105**	**85**	**65**
—Washington	108	50	35	85	150	115	**90**
Baltimore—Washington	40	50	25	75	**75**	**60**	**50**

*Ten minute check-in time at airport added

**Thirty minutes added to Station to Station time for trip to station (10 minutes); check-in (10 minutes); trip from station (10 minutes). Times for markets in which rail is equal to or faster than air are shown bold

***Thirty minutes added to reflect the impact of congestion at New York airports. Northeast Airlines reports that air traffic delays at New York City airports, between 4 and 8 PM now average 30 minutes.

Under Above Assumptions, Rail is Fastest

In 14 of 25 Markets	In 17 of 25 Markets	In 25 of 25 Markets

Source: Arthur D. Little, Inc.

TABLE IV

MARKETS IN WHICH TRAIN SCHEDULE OFFERS FASTEST SERVICE

Current Schedule
55 mph Average

Merchants Limited	Miles
Boston—Providence	44
Boston—New London	106
Providence—New London	62
Providence—New Haven	113
New London—New Haven	51
New Haven—New York	72
Congressional	
New York—Trenton	58
New York—Philadelphia	86
Trenton—Philadelphia	28
Trenton—Wilmington	60
Trenton —Baltimore	128
Philadelphia—Wilmington	32
Wilmington—Baltimore	68
Baltimore—Washington	40

AVERAGE 70 MILES

Demonstration
75 mph Average

TurboTrain	Miles
Markets added are:	
New London—New York	123
Metroliner	
Markets added are:	
New York—Wilmington	118
Philadelphia—Baltimore	100

AVERAGE 110 MILES

Super Express
110 mph Average

	Miles
Markets added are:	
Boston—New Haven	110
Boston—New York	229
Providence—New York	185
Markets added are:	
New York—Baltimore	186
New York—Washington	225
Trenton—Washington	168
Philadelphia—Washington	140
Wilmington—Washington	108

AVERAGE 170 MILES

SOURCE: Arthur D. Little, Inc.

of two or more. For such travelers, in their market context and time frame, travel by car is the cheapest mode available to them.

If you compare the costs of car travel *per person* with competing modes, the car does seem like a moderately inexpensive option for a family group.

The businessman is more concerned about the value of his time than about out-of-pocket costs. For a trip from Framingham, Mass., to White Plains, his car is the fastest mode available. The same businessman traveling from Framingham to Philadelphia would most probably fly. He takes his car when it is the fastest way available to reach his destination.

In the case of passengers now traveling by bus, the same assumption is made, namely that bus passengers will not be diverted to rail because of the availability of faster service. This assumption is based on strong market evidence that travelers who choose the bus do so to save money. Predominant among bus passengers are students, military personnel and retired persons. Since faster service by air is already available to these passengers (in some cases, at half-price discount rates) and since rail fares will be similar to air fares, the bus lines can relax.

If we accept these two assumptions, then the only passengers susceptible to diversion to rail travel are those now traveling by air. Since persons travel by air to save time, not only common sense but also market experience suggests that wherever rail travel is faster than air travel, downtown to downtown, travelers will largely abandon the airlines in favor of rail travel in each such market. Comparing travel times by rail and air in a few of the 25 Corridor markets will confirm this for us.

Since it would be prohibitively costly to do a special origin-destination study solely to provide the data needed for this article, it relies on published sources of passenger data. The best published data on the origins and destination of passengers by mode in the Boston-Washington corridor is the 1962 study by Systems Analysis and Research Corporation, referred to above, which provides data on the annual number of passenger trips by mode between the major city pairs along the route to be followed by the TurboTrain and the Metroliner.

Table I compares two markets which are very different in their modal characteristics: New York to Philadelphia, a distance of 90 miles; and New York to Washington, a distance of 220 miles. These data were developed by SARC with the cooperation of the carriers.

As the table shows, in the New York-Philadelphia market, travel by car predominates for both business and non-business travel. Looking at the total New York-Philadelphia market, 48% of travelers go by car, 35% go by rail, 16% by bus, and only 1% by air. For fairly obvious reasons in the very large New York-Philadelphia market, air travel has been able to achieve only a 1% share of the travel market.

The data on actual trips confirm our "common sense" assumption that there should be very few air travelers in this market. By train it takes less than two hours to travel between downtown New York and downtown Philadelphia; by air it takes almost three hours for the same trip—an hour to the airport, an hour to fly, and a third hour to reach downtown. Air travel in this market not only takes longer, it costs more. Those who do travel by air between New York and Philadelphia for special reasons are so few in number that for the purpose of estimating the size of the rail market they can be ignored.

In the New York-Philadelphia market, where the train is *faster*, downtown to downtown, and is less expensive than air travel, passengers prefer rail travel 35 to 1. The bus is also able to achieve a significant share of the New York-Philadelphia market, about half the share of the train, because the bus costs considerably less, and offers departures much more frequently than does the railroad.

By contrast, in the New York-Washington market the picture is quite different. Sixty per cent of the business travel and 20% of the non-business

TABLE V
RELATIVE SIZE OF CORRIDOR MARKETS
(Air Plus Rail Travelers)

MARKETS	Modal Split in 1960* (Thousands of Round Trips) AIR	vs	RAIL	TOTAL
TURBOTRAIN				
Boston—Providence			[14]	14
—New London			[2]	2
—New Haven	—		12	12
—New York	443		286	729
Providence—New London				
—New Haven				
—New York	59		135	194
New London—New Haven				
—New York	[50]		[100]	150
New Haven—New York			291	291
Total	552		840	1,392
PERCENT SHARE	**40%**		**60%**	
METROLINER				
New York—Trenton			348	348
—Philadelphia	32		1,102	1,134
—Wilmington	1		97	98
—Baltimore	39		225	264
—Washington	363		429	792
Trenton—Philadelphia			[22]	22
—Wilmington			6	6
—Baltimore			7	7
—Washington			26	26
Philadelphia—Wilmington			[23]	23
—Baltimore	[18]		[50]	68
—Washington	39		168	207
Wilmington—Baltimore			[15]	15
—Washington	1		32	33
Baltimore—Washington			[55]	55
Total	493		2,605	3,098
PERCENT SHARE	**16%**		**84%**	
SUM OF 25 MARKETS	1,045		3,445	4,490
PERCENT SHARE	**23%**		**77%**	**TOTAL TRAVELERS**

*Figures in brackets [ ] are estimates.
Numbers less than 1,000 deleted.
SOURCE: Arthur D. Little, Inc.

travel is by air. Between New York and Washington, the airplane is the fastest mode available. Travel downtown to downtown requires 2½ hours by air, while the train, the next fastest mode, requires four hours. Apparently, price is more important than speed, for 80% travel by modes slower (and cheaper) than air. For the business traveler to whom speed is clearly important, air travel is the preferred mode. Will faster rail service get him off that airplane? Probably.

For each of the principal corridor cities Table II compares the time required to travel from downtown to the airport. The table shows an average time related to the distance traveled, and the traffic conditions encountered by most travelers, for the trip from downtown to airport and vice versa. (Note that Boston and Washington are among the airports with the shortest travel times—yet another reason why one would assume that persons traveling from Boston to Washington won't be traveling on the ground in any significant numbers. In this market the one disadvantage which air travelers must contend with, travel from the airport to downtown, is diminished to a minimum.)

Table III compares the time required to travel from downtown to downtown in each of the 25 markets by air and rail. The trip by air from Boston to Providence, for example, requires:

- 20 minutes to get to the Boston airport,
- 10 minutes to check in,
- 25 minutes flight time, and
- 20 minutes to get back downtown
- Total: 75 minutes

To the time required for each rail journey has been added a standard 30 minutes (ten minutes to get to the station, ten minutes to check in and ten minutes to reach your destination). On this basis the time required for the rail journey from Boston to Providence is 75 minutes. In a market such as this, where the railroad travel time is equal to, or less than air travel, the great majority of passengers travel by rail. Comparing each of the 25 markets on this basis, shows that the present railroad schedule is already the fastest way to travel between fourteen of the twenty-five city pairs. The travel time in markets for which rail is already the fastest available mode is shown in the column labeled "Current Schedule" in Table IV. Passengers for whom speed is an important consideration will probably choose to travel by rail in each of these fourteen markets. In each such case, the entire air-rail market combined has been assigned to rail (whenever rail travel times equal, or come within 10 minutes of equaling, air travel times downtown to downtown).

Using the same basis of comparison, how many additional markets could be "captured" by rail service which took an hour less, or two hours less than the present four-hour schedule from Boston or Washington to New York? The present schedule between Boston or Washington and New York, is equivalent to an average speed, with stops, of about 55 miles per hour (cruising speeds are in the 70-80 mile per hour range depending on route segment). Table III also shows the time which would be required to travel from downtown to downtown assuming a three-hour train and a two-hour train.

To achieve a three-hour schedule Boston - New York and New York - Washington, trains will have to cruise at about 110 mph so as to average 75 mph with stops. This is the timetable which is proposed for the TurboTrain and Metroliner in the demonstration service scheduled to commence this year. While there is now one train, the Afternoon Congressional, which is operated between Washington and New York on a schedule of just over three

hours, this train was consistently popular before its schedule was speeded up. As Eastern's Shuttle has shown, to attract new patronage the transportation product must be consistently available at hourly intervals throughout the day.

Based on the same principle applied in assigning passengers to air and rail used above, there are only three additional markets in which a three hour schedule would make rail service faster than air service. These markets, derived from Table III are shown in the "Demonstration" column of Table IV.

But a two-hour rail schedule between Boston-New York and New York-Washington would add the eight remaining markets (shown in the "Super Express" column of Table IV) making rail service the fastest available mode in all 25 markets.

To forecast the impact of faster train service on the future size of the rail market, one has only to know the number of passengers traveling by rail and air in each market, since the method selected is to assign all passengers to rail whenever rail becomes faster.

Data on the number of passengers in each market are summarized in Table V. Data for some of the smaller cities were omitted from the SARC study. For these markets, estimates of the probable number of annual passengers were developed by means of a regression analysis.* The figures in Table V, which are derived from these estimates, are enclosed in brackets.

Summing the total number of passengers in each market shows that, in the markets between Boston and New York, 60% of travelers in 1960 used the train; in the markets between New York and Washington, 83% of total travelers went by train.

A comparison of the relative size of the markets to be served by Metroliner and TurboTrain shows how really simple is the problem of estimating the impact of faster train service on passenger demand. The data in Table VI, derived from Table V, show that three principal markets account for more than half of the passenger demand among the markets studied: New York—Philadelphia, New York—Washington, and New York—Boston. Because of the tremendous population of the New York metropolitan area, nine of the ten largest markets include New York as origin or destination. In these markets, rail service is already the fastest available mode between three city pairs which account for 40% of

*The author is indebted to Ian Cole of Arthur D. Little, Inc., for his assistance in performing the regression analysis used to estimate passenger volume in the markets where data were not available.

TABLE VI

PRINCIPAL BOSTON—WASHINGTON CORRIDOR MARKETS RANKED IN ORDER OF SIZE

Market	Annual Passenger By Air and Rail Combined* —000—	Percent Of Total	Cumulative Percent
New York—Philadelphia	**1,134**	25%	25%
New York—Washington	792	18	43
New York—Boston	729	16	59
New York—Trenton	**348**	8	67
New York—New Haven	**291**	7	74
New York—Baltimore	264	6	80
Philadelphia—Washington	202	5	85
New York—Providence	194	4	89
New York—New London	150	3	92
New York—Wilmington	98	2	94
15 Smaller Markets	288	6	100
		100%	

*Bold figures represent markets in which rail service is already the fastest available mode.

SOURCE: Arthur D. Little, Inc.

TABLE VII

COMPARATIVE SIZE OF RAIL MARKET BASED ON 4, 3 AND 2 HOUR SCHEDULES BOSTON—NEW YORK AND NEW YORK—WASHINGTON

(Thousands of Round Trips)

Markets	Rail Market Based On 55 mph Average*	Rail Market Demonstration Schedule 75 mph Average*	Rail Market Super Express Schedule 110 mph Average*
TURBOTRAIN			
Boston—Providence	14	14	14
—New London	2	2	2
—New Haven	12	12	12
—New York	286	286	729
Providence—New London	—	—	—
—New Haven	—	—	—
—New York	135	135	194
New London—New Haven	—	—	—
—New York	100	150	150
New Haven—New York	291	291	291
Total	840	890	1,392
PERCENT INCREASE		**+6%**	**+65%**
METROLINER			
New York—Trenton	348	348	348
—Philadelphia	1,102	1,102	1,102
—Wilmington	97	98	98
—Baltimore	225	225	264
Washington	429	429	792
Trenton—Philadelphia	22	22	22
—Wilmington	6	6	6
—Baltimore	7	7	7
—Washington	26	26	26
Philadelphia—Wilmington	23	23	23
—Baltimore	50	68	68
—Washington	168	168	207
Wilmington—Baltimore	15	15	15
—Washington	32	32	33
Baltimore—Washington	55	55	55
Total	2,605	2,624	3,060
PERCENT INCREASE		**+1%**	**+18%**

*Numbers less than 1,000 deleted.
Source: Arthur D. Little, Inc.

the total travel demand. The markets which would be added by a three-hour schedule account for only 5 or 6% of total passengers. However, the remaining 50% of total passengers would be "captured" by rail service operated on a two-hour schedule.

Working from the data on the number of passengers by mode in each market shown in Table V, the number of passengers who would switch from air to rail for each increment of improvement in the rail schedule can be calculated as shown in Table VII. Using the assumption that rail service will capture 100% of air travelers in every market for which the improved schedule makes rail service faster than air travel, the TurboTrain, if operated on a three-hour schedule between Boston and New York, will achieve a 6% increase in patronage over 1960 levels of ridership. The small number of air travelers in the New London-New York market are assumed to switch to rail, but the competitive position of rail travel in the remaining 9 markets will be unaltered.

The three-hour Metroliner schedule between New York and Washington will increase passenger demand by only 1% over 1960 patronage levels. Rather than attaching precise values to the impact of a three-hour schedule, suffice it to say that because the three-hour schedule does not make rail competitive with air in any major market where rail is not already competitive, increasing the average speed from 55 mph to 75 mph will produce only a very small increase in the total number of rail travelers.

If the Boston-Washington corridor rail demonstration program were to end there, as some predict it will, then the funds invested will have served primarily to provide *existing* passengers with a faster ride.

However, if the present investment in new rolling stock is then matched with the necessary upgrading of roadbeds, elimination of grade crossings, and straightening of the worst curves, then two-hour schedules between Boston-New York, and New York-Washington will be possible using the new train equipment.

As shown in Table VII trains operated on a two-hour schedule, by capturing all of the markets which they serve with faster services, would increase patronage 65% over 1960 levels between Boston and New York and 18% between New York and Washington solely on the basis of diversion of business travelers from air to rail. Again, instead of attaching a precise value to the impact of a two-hour schedule it is perhaps sufficient to say that, by capturing the two largest markets for air travel in the corridor, a two-hour rail schedule will produce a very substantial increase.

Since the major diversion of airline passengers would be away from New York airports, as a national transportation policy, the $1 billion in right-of-way improvements necessary to achieve two-hour train schedules is a better buy than the $1 billion cost estimated for a fourth New York airport, in view of the cumulative value of time saved by passengers traveling downtown to downtown faster than will ever be possible by air.

In sponsoring the TurboTrain and Metroliner demonstration services, the Department of Transportation is proceeding on the right track toward a solution of the problem of travel delays now arising from congestion of the airways. A truly high-speed train service on a two-hour schedule is not only readily achievable by modification of existing facilities at comparatively moderate cost, but also offers the traveling public real advantages in time savings, all-weather reliability, safety and convenience. The simplified market approach used above shows that the train is today carrying a predominant share of intercity travelers in each market for which rail travel is the fastest available mode. It would be regrettable, therefore, if on the basis of the very modest number of new passengers who will be attracted to the three-hour demonstration schedule, it were to be concluded that faster rail service cannot provide a workable solution to corridor transport needs.

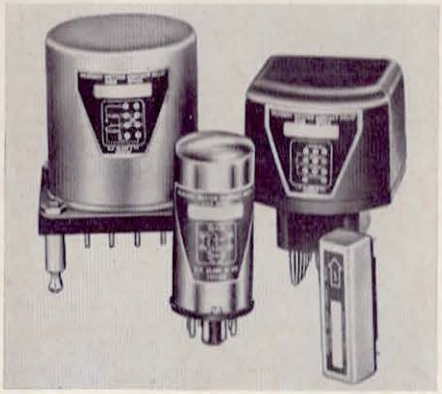
Compared with the expense of an entirely new transportation system, the cost of upgrading the present railroad right-of-way so that two-hour schedules can be operated will be modest indeed. With a more elaborate version of this marketing approach, covering all 45 markets served by through trains operating from Boston to Washington, and using up-to-date information on passenger volumes furnished by the major carriers serving the Corridor, the Department of Transportation could prepare projections of the number of passengers who would be won over to rail service following each increment in train speed. Projecting the added revenue to be gained from each market "captured" by faster rail service would permit a comparison of the rate of return probable for each capital improvement investment.

Making use of this approach, it is hoped that the Department of Transportation will have the foresight and the courage to stay on the right track, but to go faster still. ■

About the author

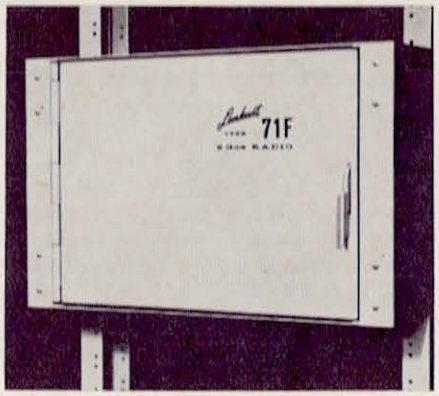
William E. Griswold is a specialist in problems of passenger transportation. Following his graduation from Oberlin College in 1959, he served for two years as a port clearance officer in North Africa as part of a program for Algerian refugees, conducted under United Nations auspices. In 1963 and 1964 he was a project officer with the Massachusetts Transportation Commission. Since joining Arthur D. Little, Inc. (ADL), he has had extensive experience in a variety of transportation problems. For a study seeking plant locations for the manufacture of components for a new aircraft, he conducted a major part of the work involved in selection of three plant sites. In preparation of testimony before the ICC for a major railroad, he gathered data from state highway officials on truck-movement volume. He was in day-to-day charge of an ADL assignment with an eastern railroad to investigate the travel habits of patrons. In 1966 he was in charge of a study which ADL conducted on behalf of another large railroad in the East. The investigation of the effects of changes in fares and travel times on the demand for the carrier's long-haul intercity passenger service, in competition with other modes of transportation, was followed by a complete restructuring by the carrier of its passenger train service. Griswold is the editor of an annual timetable guide to New England and is president of the Transportation Management Club of Boston.

NEW PRODUCTS REPORT



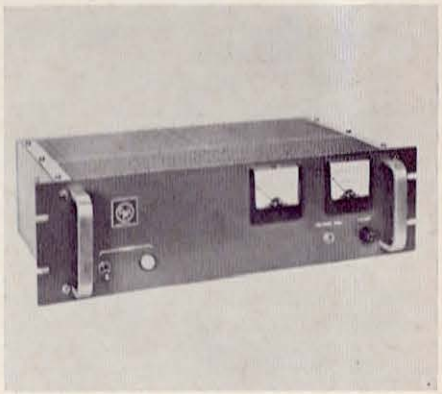
Relays (RA-1)

A new line of mercury-wetted contact polar relays is now available for digital data transmission, telegraph and teleprinter service, impulse repeaters and polarity sensing applications. Designs can provide signal fidelity of 1% maximum initial, 2% maximum over 20 x 10^9 operations, signaling capability to 120 baud at 1% maximum unbalance, 180 baud at 2% maximum unbalance. New polar relay modules are compatible with printed circuit system design. *C. P. Clare & Co.*



Light-route radio (RA-2)

The 71F is a solid-state, light-route radio system providing reliable service in the 2 GHz frequency band for up to 300 voice frequency channels. Stable circuits and modular plug-in construction assure minimum impedance. Input and output impedances of all modular units are controlled to prevent misalignment of adjacent modules when replacement is required. Power requirements for a single transmitter-receiver are 1.5 amp from a 24-volt source. *Lenkurt Electric Co., Inc.*



Frequency converter (RA-3)

A new solid state frequency converter with a low distortion sinewave output converts 50- or 60-cycle single-phase input power to precision 400-cycle single-phase output, delivering 150 volt-amp with continuous duty in ambients of -20^0 to $+60^0$C. The low distortion sinewave output has less than 1% total harmonic distortion. Frequency regulation is ±.25% and its output voltage regulation is ±1%. The unit is 5¼ in. x 10½ in. and fits a standard 19-in. rack mounting. *CML.*

Speed regulator (RA-4)

Sonicar, an electromechanical system for controlling the coupling speed of freight cars during switching, utilizes sonic energy to detect the impending coupling of a free rolling car with a stationary one, regulating speed to prevent damaging impacts. The system, developed by American Bosch Arma, consists of two sonic transducers, mounted on the ends of the car, an alternator driven by a car wheel, an electronic control box and a pressure switch. The car must be also fitted with an additional reservoir. Sonicar functions independently of outside communications and control. When cars are about to couple, the system automatically applies the brake to ease the rolling car into a gentle, complete coupling. Brakes are automatically released if the car slows below 3 mph. The system measures the closing distance between cars by continuously monitoring the time it takes for sonic signals to travel from the transmitter to the target and back. The system is intended to prevent potential damage to car or lading which can occur during classification. *Cardwell-Westinghouse.*

Molded fiber glass (RA-5)

Ply/Glass is a rigid, weather- and impact-resistant shell of fiber-glass-reinforced plastic produced by encapsulating varying thicknesses of plywood. It can be molded with fiber glass on one or two sides, with or without encapsulated edges, and is available with both marine grade and exterior grade plywood cores. A ½-in. thickness is said to have more than twice the strength of the plywood core. *Molded Fiber Glass Body Company.*

RAILWAY AGE
THE TRANSPORTATION WEEKLY

30 Church Street, N.Y., N.Y. 10007 READERS' SERVICE (Att. George Johnson)

PLEASE SEND ADDITIONAL INFORMATION ABOUT PRODUCTS IN ADVERTISEMENTS NUMBERED: 1 2 3 4 5 6 7 8 9

PLEASE SEND INFORMATION ABOUT PRODUCTS DESCRIBED ON PAGE 32 MARKED: RA-1 RA-2 RA-3 RA-4 RA-5

NAME ..... TITLE.....

COMPANY .....

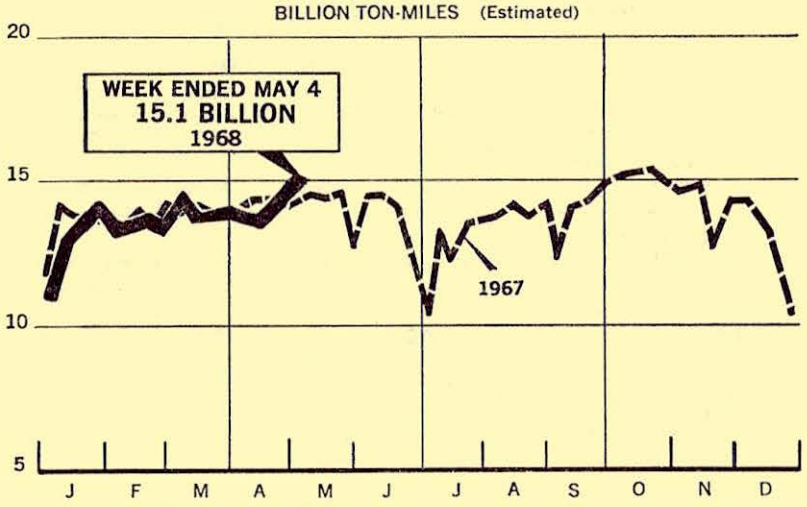
ADDRESS .....

CITY ..... STATE..... ZIP.....

● Inquiries can be processed only if title and company are shown.

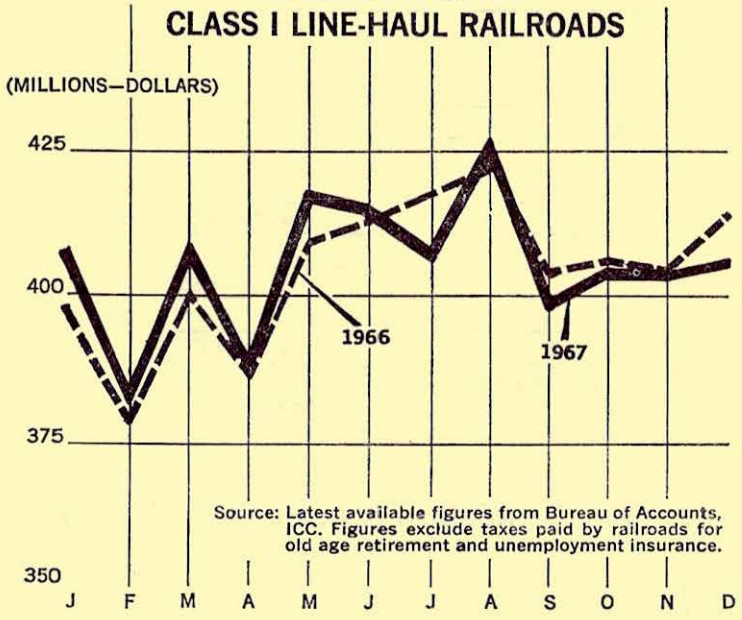
5/20/68

RAIL FREIGHT TRAFFIC TRENDS



Source: Association of American Railroads

WAGE STATISTICS
CLASS I LINE-HAUL RAILROADS



Source: Latest available figures from Bureau of Accounts, ICC. Figures exclude taxes paid by railroads for old age retirement and unemployment insurance.

Current statistics

Carloadings, revenue freight	
19 wks., 1968	9,979,257
19 wks., 1967	10,129,834
New freight cars on order	
Apr. 1, 1968	22,933
Apr. 1, 1967	42,055
New freight cars delivered	
3 mos., 1968	16,179
3 mos., 1967	24,474
Serviceable cars	
Apr. 1, 1968	1,401,160
Apr. 1, 1967	1,422,997

SHIPMENTS OF RAILROAD STEEL PRODUCTS

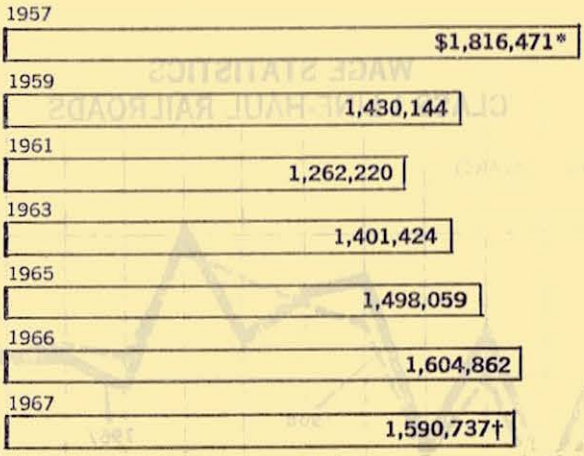
(MARCH AND FIRST THREE MONTHS 1968)

	NET TONS			
	March	Per Cent Change†	First Quarter*	Per Cent Change†
Rails, trackwork and equipment	92,287	−18.6	284,497	− 5.3
Freight and passenger cars and locomotives	190,395	−21.4	574,194	−15.9
Street railways and rapid transit systems	6,127	−11.2	13,454	+20.0

Source: American Iron and Steel Institute
*Preliminary.
†Per cent change compares 1968 periods with like 1967 periods.

PURCHASES OF FUEL, MATERIAL AND SUPPLIES

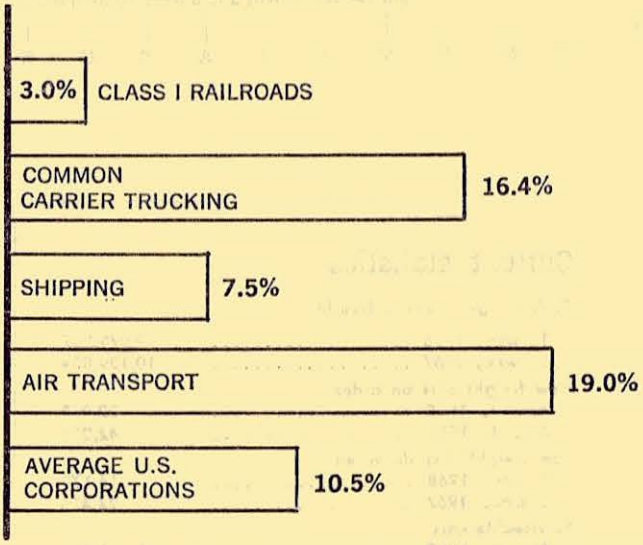
(U.S. Class I line-haul railroads)



*Amounts shown in thousands of dollars.
†Exceeded since 1957 only by the 1966 figure.

Source: Economics and Finance Dept., AAR.

RATE OF RETURN ON NET WORTH, 1967



Note: Due to the large proportion of capital investment in the form of funded debt, rate of return on total property investment for railroads and air-transport industries would be lower than that shown on net worth only.

Source: First National City Bank

MARKET OUTLOOK

CARLOADINGS

Loadings of revenue freight in the week ended May 11 totaled 575,544 cars, the Association of American Railroads announced on May 16. This was a decrease of 5,376 cars, or 0.9%, compared with the previous week; a decrease of 52 cars, or 0.01%, compared with the corresponding week last year; and a decrease of 35,617 cars, or 5.8%, compared with the equivalent 1966 week. Ton-miles generated by carloadings in the week ended May 11 are estimated at 15.4 billion, an increase of 4.9% above the corresponding week of 1967, and 1.6% above the 1966 week.

REVENUE FREIGHT CARLOADINGS

For the week ended Saturday, May 11

District	1968	1967	1966
Eastern, including Allegheny and Pocahontas ..	236,600	226,641	246,027
Southern	119,586	118,672	122,120
Total Eastern and Southern Districts	356,186	345,313	368,147
Northwestern .	74,761	79,451	88,968
Central Western	106,101	110,961	113,875
Southwestern .	38,496	39,871	40,171
Total Western Districts	219,358	230,283	243,014
Total All Roads	575,544	575,596	611,161
Commodities:			
Grain and Grain Products	32,049	40,783	49,826
Livestock	1,366	1,398	1,967
Coal	109,808	113,972	116,431
Coke	8,286	7,407	9,191
Forest Products	40,519	39,889	41,286
Ore	52,394	51,869	56,460
Merchandise l.c.l.	3,941	4,993	6,315
Miscellaneous .	327,181	315,285	329,665
May 11	575,544	575,596	611,161
May 4	580,920	564,369	602,244
Apr. 27	569,944	567,862	574,093
Apr. 20	557,100	560,891	543,639
Apr. 13	534,918	553,996	543,049
Cumulative total, 19 weeks ...	9,979,257	10,129,834	10,432,258
Estimated revenue ton-miles (billions) 19 weeks ...	267.7	263.5	264.1

PIGGYBACK CARLOADINGS

U. S. piggyback loadings for the week ended May 4 totaled 26,647 cars, carrying 42,307 trailers, compared with 19,763 cars, carrying 32,494 trailers, in the corresponding 1967 week. Loadings for 1968 up to May 4 totaled 444,569 cars, carrying 720,026 trailers, compared with 399,309 cars, carrying 655,497 trailers, in the corresponding period of 1967.

IN CANADA

Canadian carloadings were not available as this issue went to press.

FREIGHT TRAIN CARS

• *Santa Fe.*—Will build 650 box cars at Topeka company shops at a cost of $14 million as part of a previously announced 1968 capital expenditures program. Included will be 350 60-ft, 100-ton insulated cars, and 300 50-ft, 70-ton non-insulated cars, all with roller bearings, hydraulic cushioning and load protective devices—for June delivery.

• *April bad order ratio 0.2% higher than last year.*—Class I roads on April 1 owned 1,477,925 freight cars, 19,601 less than on April 1, 1967, according to AAR report summarized below. Bad order ratio was 0.2% higher than on April 1, 1967.

	April 1, 1968	April 1, 1967	Change
Car ownership	1,477,925	1,497,526	−19,601
Waiting repairs	76,765	74,529	+ 2,236
Repair ratio	5.2%	5.0%	+ 0.2%

PIGGYBACK

• REALCO.—Ordered 219 piggyback trailers from five builders—Miller, Dorsey, Arrow, Great Dane and Highway—for assignment to the National Railroad Trailer Pool.

TRANSIT

• *Chicago Transit Authority.*—Steel tires for 1,200 24-inch, 100-lb aluminum center wheels for 150 new transit cars will be produced by Standard Steel Division of Baldwin-Lima-Hamilton, a subsidiary of Armour & Co. Each 28-inch tire weighs 280 lb. The order was placed by Kaiser Aluminum, designer of the new aluminum wheels. The wheels will be shipped to Budd for installation on the cars that are being built for CTA.

• *Toronto Transit Commission.*—Awarded General Railway Signal a $647,000 contract to provide equipment for consolidating traffic control on the entire Toronto rapid transit system. A single master control console will be located at Hillcrest, which will be able to control any point directly or to transfer control to the present control offices at St. George and Davisville.

NEW FACILITIES

• *Pittsburgh & Lake Erie.*—Is building a new bridge over the Youghiogheny River at McKeesport, Pa., as part of a project to eliminate Baltimore & Ohio grade crossings in the heart of the city. It will replace an existing structure. B&O is now building a bridge over the river near the McKeesport-Versailles line. Completion of the B&O and P&LE spans will permit B&O trains to operate over a 3.3-mile section of the P&LE, skirting the downtown area. B&O then plans to abandon eight-tenths of a mile of downtown trackage that includes 23 grade crossings.

YOU OUGHT TO KNOW

Airline ad outlays climb to $91.5 million

Domestic air carriers spent $91.5 million on advertising in 1967, an 18% increase over 1966, reports Travel Research International. When the ad expenditures of international carriers are figured in, the total comes to $124 million. Biggest spenders last year were United, American, Trans World, and Eastern. Printed media got 48% of the airline ad dollar. Television got 36% and radio 16%.

New chairman for Tri-State transport group

Louis I. Gladstone has been elected chairman of the Tri-State Transportation Commission. The commission is the official interstate transportation and land-use planning organization of the states of Connecticut, New Jersey and New York. Gladstone, comptroller of the state of Connecticut, is the third chairman of the commission, which was formed in 1966, and its first chairman from Connecticut. Other new officers of the commission are: Vice chairman—Charles T. Lanigan, director of the New York State Office of Planning Coordination, and Paul N. Ylvisaker, commissioner of the New Jersey Department of Community Affairs; and secretary—Donald H. Elliott, NYC Planning Commission.

Berwick being acquired by California firm

Berwick Forge and Fabricating Corp., a freight car builder and renovator, and producer of specialty forgings for the railroad, automotive and other metalworking industries, is being acquired by Whittaker Corp. of Los Angeles. Berwick, which has annual sales of more than $20 million, is a privately held corporation with facilities at Berwick, Pa. Whittaker produces and distributes high-performance materials and is engaged in the fabrication of aircraft, aerospace, marine and industrial products.

Transport data forum planned for Washington

The American University in Washington, D.C. is planning a national transportation flow statistics forum at Silver Spring, Md., June 27-29. The forum will cover such questions as the values and limitations of present data, information needed, its characteristics, the collection and publishing of data, and group use of data.

Harriman safety awards program to be expanded

To encourage bigger and better safety programs on railroads, the E. H. Harriman Memorial Awards program is being broadened this year. Thomas N. Boate, president of the World Safety Research Institute, which administers the awards, said gold, silver and bronze awards will be presented for outstanding safety achievements in five different categories—large, medium and small Class I line-haul roads, switching and terminal companies, and passenger lines. Certificates will also be awarded in the first four of these categories, based on improvements in safety programs and specialized activities in the safety field. A committee of industry and government officials headed by Harold F. Hammond, president of the Transportation Association of America, will select the winning railroads.

New president named by Alco: Edward C. Forbes

William F. Lewis, chairman and president of Alco Products, Inc., is stepping down as head of the locomotive builder. Edward C. Forbes, a vice president of Studebaker-Worthington, Inc., the parent company, last week succeeded Lewis as president and chief operating officer. Lewis will continue as chairman of the company until Aug. 30, when he will retire. He announced earlier that he would retire at the age of 60; he will reach that mile stone Aug. 26. Forbes, who is 52, joined Worthington in '63. He had been associated with General Electric for 17 years. Lewis was with Alco for 34 years.

FORBES

Iver S. Olsen
C&NW

M. H. Decoster
C&NW

Walter E. Braun
C&NW

G. A. Tedesco
Pullman

PEOPLE IN THE NEWS

BESSEMER & LAKE ERIE.—Gregory Michael Buechele appointed merchandise service representative, and **Richard L. Riley,** coal service representative, new positions.

BURLINGTON.—R. W. Masden, commissary storekeeper, appointed district storekeeper, Lincoln, Neb., to succeed **N. H. Sands,** promoted. **J. E. Rout** named to replace Mr. Masden.

CHICAGO & NORTH WESTERN.—Iver S. Olsen named assistant vice president and director of sales. Mr. Olsen has been assistant vice president on the C&NW's merger committee and has served as a traffic expert for the road in a number of its merger proceedings before the ICC. **M. H. Decoster,** a member of the road's corporate development staff, appointed assistant vice president and director of marketing planning. **Walter E. Braun,** assistant vice president-rates and divisions, appointed assistant vice president and director of rates and divisions. **E. A. Burkhardt** named assistant to vice president-operations, Chicago. **J. J. Johnson** becomes manager of budgets, and **T. G. Swartzlander,** director intermodal operations, both at Chicago. **B. R. Meyers,** vice president-engineering, retired May 1.

ERIE LACKAWANNA.—C. R. Caldwell appointed trainmaster, Marion Division, Marion, Ohio. **R. E. Fahey** named trainmaster, Marion Division, Akron, Ohio.

Abolished position of division storekeeper, Susquehanna, Pa., on March 31. Stores department jurisdiction of **H. B. McHale,** division storekeeper, Scranton, Pa., extended to cover Susquehanna, Pa., Binghamton, N.Y., and Port Jervis, N.Y.

Francis P. Williams, value analyst, purchasing and stores, Hornell, N.Y. retired.

SOUTHERN PACIFIC.—E. W. Wood named superintendent, damage prevention and loading services, Houston, succeeding **Sam H. Milby,** who retired Apr. 30 after more than 50 years of service.

SUPPLY TRADE

G. A. Tedesco has been appointed assistant to executive vice president, **Pullman Incorporated.** Mr. Tedesco was formerly assistant vice president, public relations, **Pullman-Standard Division.**

James R. Long has founded the **Long Supply Co.,** at 9230 Belmont Avenue, Franklin Park, Ill. as a manufacturers sales representative in the railroad equipment field. He was formerly assistant general sales manager, **Thomas A. Edison Industries.** Mr. Long will now represent **Western Railroad Supply Co.,** Division of **Western Industries,** Chicago.

Edgewater Steel Co., Pittsburgh, Pa., on May 1 changed its name to **Edgewater Corp.**

OBITUARY

William Parker Kennedy, 76, who retired in 1962 as president, **Brotherhood of Railroad Trainmen,** died May 14 in Minneapolis, Minn.

Cartoon by Whitney Darrow, Jr.

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WALTER TAFT

WATCHING WASHINGTON

RAILROADS LOSING SENATE FRIEND—The defeat of Senator Frank L. Lausche in Ohio's Democratic primary means that this friend of the railroads will leave the Senate at the end of this year. As used here, friend means one usually responsive to the industry's legislative proposals. Being thus a conservative in this and other areas, Lausche earned the opposition of organized labor, including unions representing railroad employees.

AGE A FACTOR—Lausche's age was also a factor in his defeat. He is 72, and his successful opponent (the Democratic nominee for November's election) is 47-year-old James J. Gilligan. Lausche is now serving his second six-year term in the Senate, having come to Washington in 1957 after serving five terms as governor of Ohio.

OFTEN DRAMATIC—The defeated Senator often dramatized his positions. On one occasion, for example, he left a Senate Commerce Committee hearing in protest against further consideration of the "Hoffa" bill, so-called because its principal sponsors included "Jimmie" Hoffa, former president of the International Brotherhood of Teamsters, who is now serving a prison term. The bill would have emasculated the 1958 Transportation Act's rate-freedom provision, which is now Section 15a(3) of the Interstate Commerce Act. Lausche spotlighted his walkout from the hearing with a statement which interpreted the Hoffa bill as a call for repeal of 15a(3) to which all interested parties had agreed in 1958. "It's a travesty of the worst type to even suggest repeal," Lausche shouted as he bolted from the hearing room.

COMMITTEE SHIFTS COMING—The senator's retirement will mean a new set-up of subcommittee chairmanships at the Senate Commerce Committee. Lausche is now chairman of the Surface Transportation Subcommittee. Another subcommittee chairman up for reelection this year is Senator A. S. Mike Monroney of Oklahoma, who heads the Aviation Subcommittee.

PROSPECTS—Seniority to claim the chairmanship of the Surface Transportation Subcommittee lies first with Senator John O. Pastore of Rhode Island, and then, in turn, with Monroney and Senator E. L. Bartlett of Alaska. But all of these may prefer their present subcommittee chairmanships. So, a likely successor to Lausche is Senator Vance Hartke of Indiana—unless, of course, the Commerce Committee organizes on a different basis in the new Congress, which could happen.

Freight and Passenger Car Charts

These charts are very helpful to AAR billing clerks, mechanical engineers, purchasing and stores personnel, car inspectors, write-up men, car foremen, and anyone else who needs a knowledge of car parts and their relation to each other.

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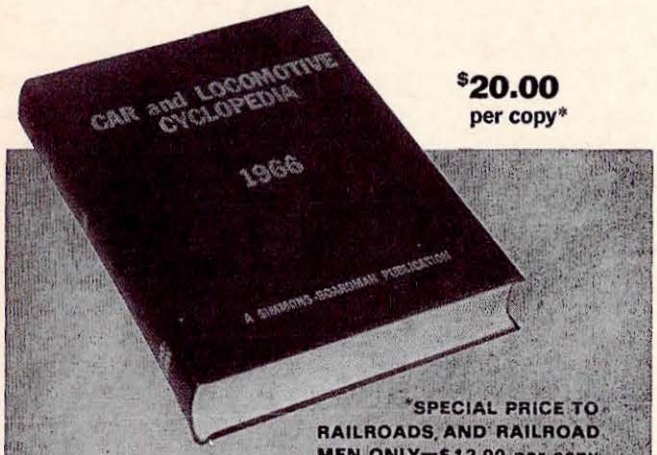

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VIEWPOINT

Is there really a car shortage? Shippers think so

There have been some interesting reactions to our recent report (April 29) that a number of shippers are diverting traffic from rail to highway due to an insufficient supply of the right cars, at the right place, at the right time.

The quick and easy response is that spot shortages, like death, taxes and the poor, have always been with us and always will be. It is further argued that such spot shortages are actually very healthy in that they show that railroads do not have their capital tied up in idle equipment: Better to turn away one customer than to have 10 cars loafing at a siding.

This argument has great merit, but it begs the question: Are these shippers really talking about "spot shortages"—or something more serious? Those who participated in Railway Age's April Traffic Poll certainly cited a lot of "spots" where (they contend) they want to load freight on the railroads and can't.

A refinement of the "it's only a spot shortage" argument is the one that contends that any traffic being turned away by railroads would not, in any case, be worth the required additional investment in freight-hauling equipment. That is certainly a reasonable decision for marketing men to make—provided they know how much and what kind of business it is they are turning away.

The possibility that they do not always know this is raised by another response to our article, and it is one that worries us rather more than the others. It comes from a shipper and it goes like this:

"The situation is probably a lot worse than you reported. Some shippers have become so accustomed to not getting the kind of freight cars they need that they have long since ceased to ask for them. So in a real sense their traffic is not being diverted from railroads at all—it is going straight to other modes in the first place."

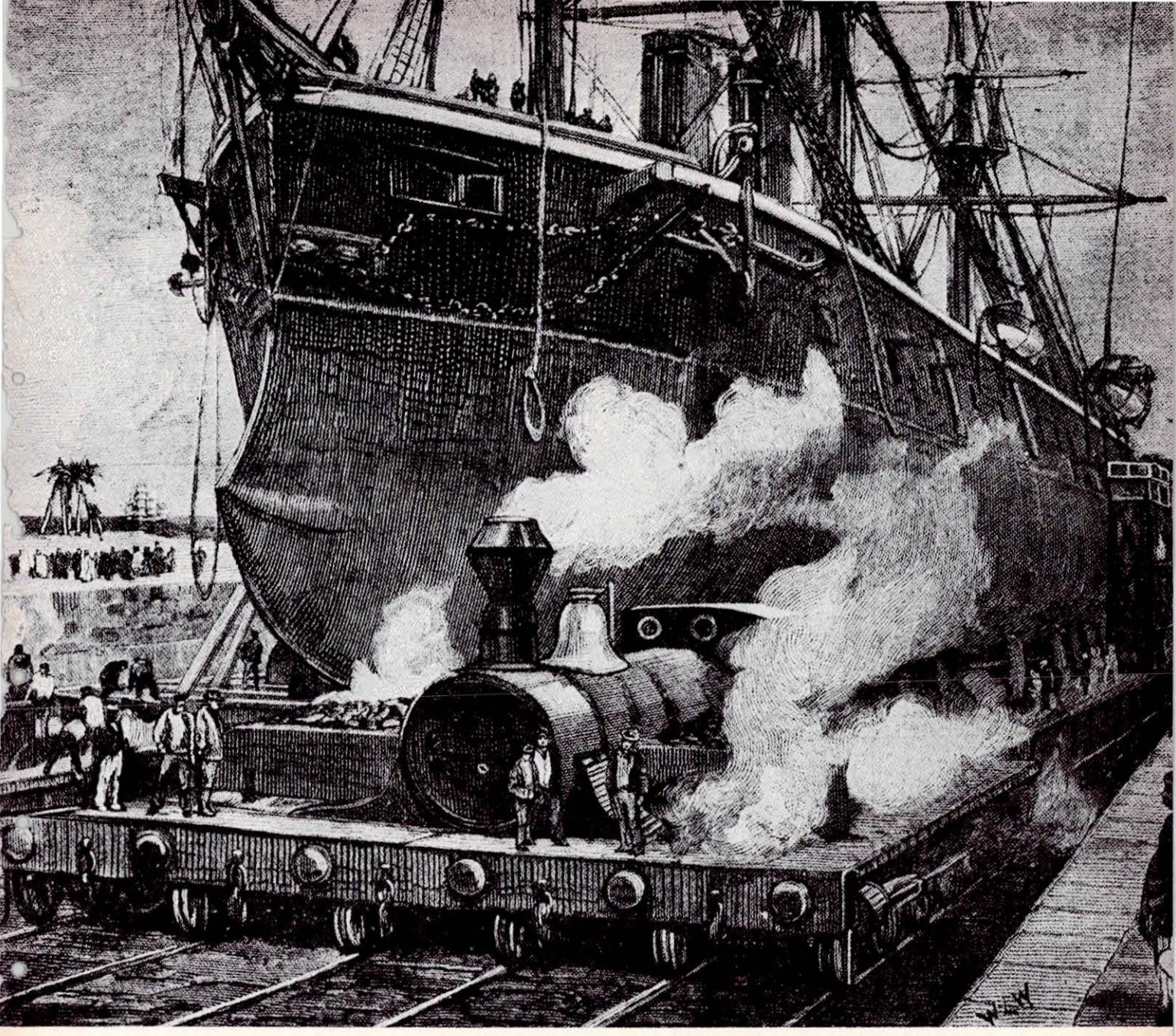
A SURPLUS—OF WHAT?

Another, and not unexpected, response comes from those who point out that a "surplus" of freight cars can usually be found to exist on any given day. But is this statistic really meaningful to the marketing man? What good are a thousand over-aged gondolas to shippers who are clamoring for cushion-underframe boxes? Even if you have that extra box—if it's sitting on a siding in Dubuque can it readily be loaded with cigarettes in Durham?

Only when railroads concede that these questions exist—and stop replying defensively whenever somebody else asks them—will they be in any position to seek out the answers.

Part of the answer to the car-supply problem is going to be the coast-to-coast car location network (T.R.A.I.N.), now taking shape under the leadership of the AAR; and its corollary, automatic car identification (ACI). This will help to spread that surplus around where it is needed.

But an important part of the answer is going to have to be a more aggressive car-modernization program. The best car-location system in the world can't make a box car out of a gon.



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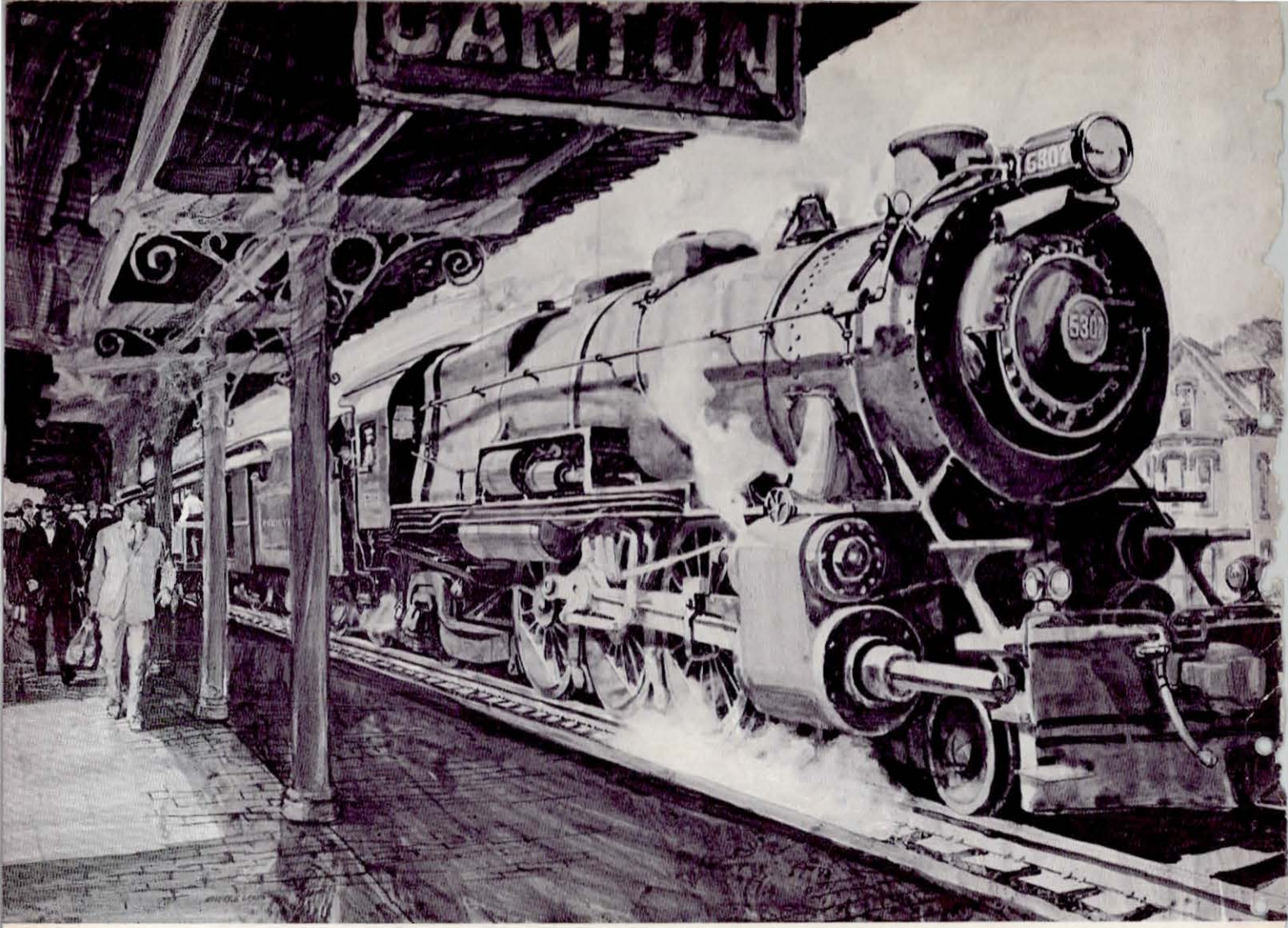

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